

**Articles of Association
of
Jiangxi Institute of Biological Products Inc.**

CONTENTS

CHAPTER I GENERAL PROVISIONS	3
CHAPTER II OBJECTIVES AND SCOPE OF BUSINESS	5
CHAPTER III SHARES	6
Section 1 Issuance of Shares	6
Section 2 Increase, Reduction and Repurchase of Shares	8
Section 3 Transfer of Shares	10
CHAPTER IV SHAREHOLDERS AND GENERAL MEETING	11
Section 1 Shareholders	11
Section 2 Controlling Shareholders and De Facto Controllers	16
Section 3 General Provisions of General Meeting	17
Section 4 Convening of General Meeting	20
Section 5 Proposals and Notices of the General Meeting	22
Section 6 Holding of General Meeting	24
Section 7 Voting and Resolutions at General Meeting	29
CHAPTER V BOARD OF DIRECTORS	34
Section 1 Directors	34
Section 2 Board of Directors	39
Section 3 Independent Directors	47
Section 4 Board Special Committees	52
CHAPTER VI GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS	53

CHAPTER VII FINANCIAL AND ACCOUNTING SYSTEMS, DISTRIBUTION OF PROFITS AND AUDIT	56
Section 1 Financial and Accounting Systems	56
Section 2 Internal Audit	60
Section 3 Appointment of Accounting Firm	60
CHAPTER VIII NOTICE AND ANNOUNCEMENT	61
Section 1 Notice	61
Section 2 Announcement	63
CHAPTER IX MERGER, DIVISION, CAPITAL INCREASE AND REDUCTION, DISSOLUTION, AND LIQUIDATION	63
Section 1 Merger, Division, Capital Increase and Reduction	63
Section 2 Dissolution and Liquidation	66
CHAPTER X AMENDMENTS TO ARTICLES OF ASSOCIATION	69
CHAPTER XI SUPPLEMENTARY PROVISIONS	69

Articles of Association of Jiangxi Institute of Biological Products Inc.

CHAPTER I GENERAL PROVISIONS

Article 1 To safeguard the legitimate rights and interests of the Company, its Shareholders, employees and creditors, and regulate the organization and activities of the Company, the 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 Accounting Law of the People's Republic of China (《中華人民共和國會計法》), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant requirements.

Article 2 Jiangxi Institute of Biological Products Inc. (the “Company”) is a joint stock company with limited liability established by conversion from Jiangxi Institute of Biological Products (江西生物製品研究所) in accordance with the Company Law and other relevant requirements of the People's Republic of China (“China” or “PRC”, for the purpose of the Articles of Association, excluding the Hong Kong Special Administrative Region (“Hong Kong”), the Macau Special Administrative Region and Taiwan). Jiangxi Institute of Biological Products was established through the restructuring of a wholly state-owned enterprise in July 2002. The Company was then established by means of sponsorship in December 2017, and registered with Ji'an Market and Quality Supervision Administration (吉安市市場和質量監督管理局) and obtained the business license with the unified social credit code of 91360805161972468H.

Article 3 The Company completed the filing procedures with the China Securities Regulatory Commission (the “CSRC”) on 24 April 2026 and has been listed on the main board of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) on 30 June 2026, and with an issue of no more than 41,669,500 foreign capital shares for overseas listing (“H Shares”) in Hong Kong.

Article 4 The registered name of the Company:

Chinese name: 江西生物製品研究所股份有限公司

English name: Jiangxi Institute of Biological Products Inc.

Article 5 The domicile of the Company is Jinggangshan Economic and Technological Development Zone, Ji'an, Jiangxi, post code: 343100.

Article 6 The registered capital of the Company is RMB308,377,319 (or RMB313,812,319 if the over-allotment option is fully exercised).

Article 7 The Company is a perpetual joint stock limited company with independent legal status.

Article 8 The legal representative of the Company shall be a Director or general manager who executes corporate affairs on behalf of the Company and shall be nominated and approved by the Board of Directors. The legal consequences of civil activities performed by a legal representative in the name of the Company shall be borne by the Company. Where the legal representative causes damage to any other person in the performance of his/her duties, the Company shall assume civil liability for such damage. The Company may, after assuming such civil liability, claim reimbursement from the legal representative at fault in accordance with the laws or the Articles of Association.

Where the Director or general manager who serves as the legal representative tenders a resignation, he/she shall be deemed to have resigned as the legal representative at the same time. Where the legal representative tenders a resignation, the Company shall appoint a new legal representative within 30 days from the date of the resignation of the legal representative.

Where there is any change in the legal representative of the Company, the application for the registration of relevant changes shall be signed by the newly appointed legal representative.

Article 9 All of the assets of the Company are divided into shares of equal par value. Shareholders shall be liable to the Company to the extent of the shares subscribed by them. The Company shall be liable for its debts to the extent of all of its assets.

Article 10 The Articles of Association shall, from the date on which they take effect, be the legally binding document that regulates the organization and activities of the Company and the relationship of rights and obligations as between the Company and the Shareholders and among the Shareholders, and shall be legally binding on the Company, the Shareholders, the Directors, and senior management members.

In accordance with the Articles of Association, Shareholders may take legal action against other Shareholders; Shareholders may take legal action against Directors, general manager and other senior management members of the Company; Shareholders may take legal action against the Company; the Company may take legal action against Shareholders, Directors, general manager and other senior management members.

Article 11 Other senior management members referred to in the Articles of Association represent the deputy general managers, chief financial officer of the Company, the secretary of the Board of Directors and other personnel designated by the Board of Directors.

Article 12 The Company shall establish CPC organization and carry out CPC activities in accordance with the requirements of the Constitution of the CPC. The Company shall provide the CPC organization with necessary conditions for its activities.

CHAPTER II OBJECTIVES AND SCOPE OF BUSINESS

Article 13 The objectives of business of the Company include: The Company steadfastly upholds its core mission of “Innovating Technology, Safeguarding Health”, remaining committed to the founding aspiration of “providing high-quality pharmaceuticals for people worldwide”. The Company strives to build a globally leading enterprise in biopharmaceutical R&D and production. Guided by the operational philosophy of “Quality First, Innovation-Driven, Excellence Above All, and Responsibility as Our Foundation”, the Company adopts a global strategic vision to establish a “Global Serum Production Base”. The Company’s focus lies in the research, development, production, and distribution of antitoxins, immune serum, and other biopharmaceuticals. Through continuous technological innovation and stringent quality management, we deliver safe, effective, and accessible biopharmaceutical products to the public, contributing to the prevention and treatment of severe infectious diseases and protecting human health. Simultaneously, the Company actively fulfill our social responsibilities by promoting sustainable development in the biopharmaceutical industry, creating long-term value for Shareholders, employees, clients, and society.

Article 14 The scope of business of the Company include: items subject to approval: Pharmaceutical production; disinfectant production (excluding hazardous chemicals); production of disinfectant products for infectious disease prevention and control; food additive production; pharmaceutical contract manufacturing; pharmaceutical import and export; laboratory animal production; laboratory animal operations; clinical trial services for pharmaceuticals; pharmaceutical wholesale; pharmaceutical retail (projects subject to legal approval may only be conducted upon approval by relevant authorities and within the validity period of the license. Specific business activities and license durations shall comply with official approval documents or permits); general items: medical research and experimental development; technical services, technology development, technical consulting, technology exchange, technology transfer, and technology promotion; disinfectant sales (excluding hazardous chemicals); food additive sales; bio-based material technology R&D, bio-based material manufacturing, and bio-based material sales; health consulting services (excluding medical diagnosis and treatment) (except for items that require approval in accordance with the law, conduct business activities independently in accordance with the law by virtue of the business license).

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 15 The shares of the Company shall be in registered form.

Where the share capital of the Company includes shares that do not carry voting rights, the word “non-voting” shall appear in the designation of such shares. Where the equity capital includes shares with different voting rights, the words “restricted voting” or “limited voting” shall appear in the designation of each class of shares, other than those with most favorable voting rights.

Article 16 The shares of the Company shall be issued in a transparent, fair and equal manner and shares of the same class shall rank *pari passu* in all respects.

Each of the shares of the same class shall be issued under the same conditions and at the same price in each issuance, and the same price shall be paid for each of the shares subscribed for by subscribers.

Article 17 The share certificates issued by the Company are all par value shares, with par value denominated in Renminbi, and each share has a par value of RMB1.

Article 18 The domestic unlisted shares issued by the Company shall be centrally deposited with China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company shall be mainly deposited with an escrow company under Hong Kong Securities Clearing Company Limited.

Article 19 The Company was established by way of promotion by four promoters, namely Shenzhen Qianhai Tianzheng Biotechnology Co., Ltd. (深圳前海天正生物科技有限公司), Ji'an Aohai Industrial Development Co., Ltd. (吉安市傲海實業發展有限公司), Hainan Jinjia Courtyard Catering Management Co., Ltd. (海南金家大院餐飲管理有限公司), Haikou Tianshun Industrial Development Co., Ltd. (海口市天順實業發展有限公司). The number of shares in issue at the time of establishment of the Company was 63,000,000 shares. All the promoters invested in the Company with the shares converted from the net assets of Jiangxi Institute of Biological Products held by them. The shares issued to the promoters at the time of the establishment of the Company and the way of capital contribution and the percentage of shareholdings of the promoters are as follows:

No.	Name of Shareholders	Number of shares held (in ten thousand shares)	Percentage of capital contribution (%)	Way of capital contribution
1	Shenzhen Qianhai Tianzheng Biotechnology Co., Ltd. (深圳前海天正生物科技有限公司)	5,670.00	90.00%	Shares converted from net assets
2	Ji'an Aohai Industrial Development Co., Ltd. (吉安市傲海實業發展有限公司)	315.00	5.00%	Shares converted from net assets
3	Hainan Jinjia Courtyard Catering Management Co., Ltd. (海南金家大院餐飲管理有限公司)	210.00	3.33%	Shares converted from net assets
4	Haikou Tianshun Industrial Development Co., Ltd. (海口市天順實業發展有限公司)	105.00	1.67%	Shares converted from net assets
Total	—	6,300.00	100.00%	—

Article 20 After the completion of the initial public offering of H Shares, assuming that the over-allotment option is not exercised, the share capital structure of the Company on the Listing Date shall be: 308,377,319 ordinary shares, including 1,287,000 unlisted shares and 307,090,319 H shares; if the over-allotment option is fully exercised, the share capital structure of the Company shall be: 313,812,319 ordinary shares, including 1,287,000 unlisted shares and 312,525,319 H shares.

Article 21 The Company or its subsidiaries (including affiliated enterprises of the Company) shall not provide gifts, advance funds, loans, guarantees and other financial aids for others to obtain the shares of the Company or the parent company thereof unless it carries out employee stock ownership plans.

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

Where the violation of the preceding two paragraphs causes losses to the Company, the liable Directors, and senior management members shall be liable for compensation.

Section 2 Increase, Reduction and Repurchase of Shares

Article 22 Subject to the provisions of laws, regulations, regulatory rules of the place where the Company's shares are listed, the Company may, upon resolution by a general meeting, increase its capital on the basis of its business and development needs, by any of the following methods:

- (I) public offering of shares;
- (II) non-public offering of shares;
- (III) distribute bonus shares to existing Shareholders;
- (IV) convert capital reserves into share capital;
- (V) other means which are permitted by the laws, administrative regulations, and approved by securities regulatory authorities of the State Council, regulatory authorities of the place where the Company's shares are listed and other relevant regulatory authorities.

Article 23 The Company may reduce its registered capital. Reduction of the registered capital by the Company shall be implemented according to the Company Law and other relevant regulations and the procedures stipulated in the Articles of Association.

Article 24 The Company shall not acquire its own shares, except under one of the following circumstances provided that it does not violate laws, regulations, the provisions of the securities regulatory authority of the place where the shares of the Company are listed, the Hong Kong Listing Rules, and the Articles of Association:

- (I) reducing the registered capital of the Company;
- (II) merger with another company which holds the shares of the Company;
- (III) using such shares in connection with employee share ownership schemes or share incentives;

- (IV) request the Company to acquire the shares from Shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company;
- (V) using the shares for conversion of convertible corporate bonds issued by the listed company;
- (VI) it is necessary for the Company to maintain its value and the Shareholders' equity;
- (VII) other circumstances stipulated by laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.

Article 25 The Company may purchase its shares through public centralized trading or other methods recognized by laws, administrative regulations, the CSRC and the stock exchange where the shares of the Company are listed.

The purchase of its shares by the Company under the circumstances set out in items (III), (V) and (VI) under the first paragraph of Article 24 of the Articles of Association shall be conducted through public centralized trading.

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

Where the Company purchases its shares under the circumstances set out in item (I) under the first paragraph of Article 24 of the Articles of Association, such shares shall be cancelled within 10 days from the date of purchase; where the Company purchases its shares under the circumstances set out in items (II) and (IV), such shares shall be transferred or cancelled within 6 months; where the Company purchases its shares under the circumstances set out in items (III), (V) and (VI), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within 3 years.

If laws, administrative regulations, departmental rules, normative documents, and relevant provisions of the securities regulatory authority of the place where the shares of the Company are listed, the Hong Kong Listing Rules otherwise stipulate matters related to the aforesaid share repurchase, such provisions shall prevail.

Article 27 Any subsidiary controlled by the Company shall not acquire the shares issued by the Company. In case any subsidiary controlled by the Company holds the shares of the Company due to the merger of the Company, exercise of pledge right or other reasons, it shall not exercise the voting right corresponding to the shares it holds and shall timely dispose of the such shares of the Company.

Section 3 Transfer of Shares

Article 28 The shares of the Company shall be transferred in accordance with law.

All transfers of H Shares shall be effected by way of written instrument of transfer in general or ordinary format or any such other format as acceptable to the Board of Directors (including the standard format of transfer or form of transfer as prescribed by the Hong Kong Stock Exchange from time to time). Such instrument of transfer shall only be signed by hand or, if the transferor or the transferee is a company, affixed with a valid seal of such company. If the transferor or transferee is a recognized clearing house as defined under the relevant ordinances of the Hong Kong laws in force from time to time or an agent thereof, the written instrument of transfer may be signed by hand or in machine-printed form. All instruments of transfer shall be kept at the legal address of the Company or other addresses as may be designated by the Board of Directors from time to time.

Article 29 The Company shall not accept any of its own shares as the subject of pledge.

Article 30 The shares issued before the Company's public offering of shares shall not be transferred within one year from the date the Company's shares are listed and traded on a stock exchange.

The Directors and senior management members of the Company shall declare to the Company the number of shares of the Company they hold and the subsequent changes in their shareholdings. The number of shares that such persons may transfer every year during their term of office determined at the time of appointment shall not exceed 25% of the total number of the same class of shares of the Company held by them; the shares held in the Company shall not be transferred within one year as from the date when the Company shares have been listed. Such personnel shall not transfer the Company's shares held within half a year after they have terminated their employment with the Company.

Where the shares are pledged within the time limit for transfer prescribed by laws or administrative regulations, the pledgee may not exercise the pledge right within the time limit for transfer.

If there are other restrictions on transfer of overseas listed shares imposed by relevant provisions of the securities regulatory authority of the place where the shares of the Company are listed, such provisions shall prevail.

CHAPTER IV SHAREHOLDERS AND GENERAL MEETING

Section 1 Shareholders

Article 31 The Company shall establish a register according to the certificates provided by the securities registration and clearing authorities and the register shall be the ample evidence that the Shareholders hold any shares in the Company. The Company may in accordance with the understanding and agreement reached between the State Council's securities regulatory authorities and the overseas securities regulatory authorities, maintain the register of members of overseas listed foreign-invested shares at overseas territory and entrust overseas agencies for management. The original copy of the register of holders of H shares shall be kept in Hong Kong. A duplicate register of Shareholders for the holders of overseas listed foreign-invested shares shall be maintained at the Company's residence, and the appointed overseas agent(s) shall ensure consistency between the original and the duplicate register of Shareholders at all times. If there is any inconsistency between the original and the duplicate register of Shareholders for the holders of overseas listed foreign-invested shares, the original version shall prevail. The Hong Kong register of members must be available for inspection by Shareholders, but the Company may also close the register of members on terms equivalent to those of section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). A Shareholder shall enjoy rights and assume obligations pursuant to the class of shares held; holders of the same class of shares shall enjoy equal rights and assume equal obligations.

Any Shareholder whose name is registered on the register of members or any person who requests his/her name to be registered on the register of members may apply to the Company for the issuance of new certificate in respect of such shares if his/her share certificate is lost. If a holder of domestic shares loses his/her share certificates, and applies for a replacement, such replacement shall be dealt with in accordance with the relevant provisions of the Company Law. If a Shareholder of overseas listed foreign shares loses his/her/its share certificates, and applies for replacement, such replacement may be dealt with in accordance with the relevant laws, the rules of the stock exchange and other relevant regulations of the place where the original copy of the register of holders of overseas listed foreign shares is maintained.

Article 32 When the Company convenes a general meeting, distributes dividends, conducts liquidation and engages in other activities that require the confirmation of the identity of Shareholders, the Board of Directors or the convener of the general meeting shall determine the record date. Shareholders whose names appear on the register of Shareholders after the close of trading on the record date shall be the Shareholders entitled to the relevant rights and interests (including but not limited to being eligible to attend the general meeting and vote at the meeting or receive the interests). If there are provisions regarding the closure of register of members in laws, administrative regulations, departmental rules, normative documents and relevant stock exchanges or regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

Article 33 The Shareholders of the Company shall have the following rights:

- (I) to receive dividends and other profit distributions according to the number of shares held;
- (II) to require convening of, convene, preside over, attend or appoint a proxy to attend general meetings, and exercise their corresponding voting rights according to the laws;
- (III) to supervise and manage business operations of the Company and to raise proposals or address inquiries accordingly;
- (IV) to transfer, donate or pledge the shares held by them pursuant to the provisions of laws, administrative regulations and the Articles of Association;
- (V) to review and copy the Articles of Association, register, minutes of general meetings, resolutions of Board meetings and financial accounting reports. A qualified Shareholder may inspect the accounting books and vouchers of the Company;
- (VI) to participate in, upon the Company's termination or liquidation, the distribution of the Company's remaining assets according to the quantity of shares held;
- (VII) with respect to Shareholders voting against any resolution adopted at the general meetings on the merger or division of the Company, the right to demand the Company to acquire the shares held by them;
- (VIII) to have other rights conferred in accordance with the laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 34 A Shareholder who individually or jointly holds more than 3% of the Company's shares for over 180 consecutive days may request to inspect the Company's accounting books and vouchers by submitting a written request stating the purpose to the Company. If the Company has reasonable grounds to believe that the Shareholder's request to inspect the Company's accounting books and vouchers serves an improper purpose and may harm the Company's legitimate interests, it may refuse the inspection. The Company must respond to the Shareholder in writing within 15 days from the date the Shareholder submits the written request, providing reasons for the refusal. If the inspection is denied, the Shareholder may file a lawsuit with the people's court.

A Shareholder may appoint an accounting firm, law firm or other intermediary agencies to inspect the materials specified in the preceding paragraph.

A Shareholder and the accounting firm, law firm, or other intermediaries appointed by it shall comply with the provisions of laws and administrative regulations on the protection of state secrets, trade secrets, personal privacy, personal information etc., when reviewing and duplicating the relevant materials.

Where the Shareholders request to review or duplicate the relevant information of the wholly-owned subsidiaries of the Company, item (V) of Article 33 of the Articles of Association and the preceding three paragraphs of this article shall apply.

Article 35 A Shareholder who requests to review or duplicate the information mentioned in Article 33 and Article 34 of the Articles of Association or make a request for information shall provide the Company with written documents proving the class and number of the shares that he/she holds in the Company. The Company shall provide the information in accordance with the provisions of the Articles of Association and as requested by the Shareholder after verifying his/her identity.

Article 36 If the contents of a resolution passed at the general meeting or Board meeting of the Company violate the laws or administrative regulations, the Shareholders shall have the right to submit a petition to the people's court to render the same as invalid.

If the procedures for convening, or the methods of voting at, a general meeting or Board meeting violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, Shareholders shall be entitled to submit a petition to the people's court to rescind such resolution within 60 days from the date on which such resolution is passed, except for the circumstances where the convening procedures and voting ways have only minor flaws and there's no substantial impact on resolutions. Shareholders who have not been notified to participate in the general meeting may file a petition with the people's court to revoke the resolution within 60 days from the date when they know or should know that the resolution is made at the general meeting; if they do not exercise the right to revoke within one year from the date of the resolution, the right of revocation shall be extinguished.

If the Board of Directors, shareholders and other stakeholders dispute the validity of a resolution of shareholders' general meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a judgement or ruling to revoke the resolution, the stakeholders shall execute the resolution of the shareholders' general meeting. The Company, directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the People's Court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, the requirements of the CSRC and the stock exchange, fully explain the impact, and actively co-operate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

Article 37 Resolutions of a general meeting or the Board of Directors of the Company shall not be established in any of the following circumstances:

- (I) a general meeting or a Board meeting was not convened to make the resolution;
- (II) the resolution was not voted at a general meeting or a Board meeting;
- (III) the number of attenders of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association;
- (IV) the number of attenders in favor of the resolution or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association.

Article 38 If Directors other than members of the Audit Committee or senior management members violate the laws, administrative regulations or the Articles of Association while performing their duties, causing losses to the Company, shareholder(s) individually or jointly holding 1% or more of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing the Audit Committee to initiate proceedings to the people's court. If the members of the Audit Committee violate the laws, administrative regulations or the Articles of Association while performing their duties, causing losses to the Company, the aforementioned shareholder(s) may request in writing to the Board of Directors to initiate proceedings to the people's court.

In the event that the Audit Committee or the Board of Directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraphs, or fails to initiate such proceedings within 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 paragraphs shall have the right to initiate proceedings to the people's court directly in their own names in the interest of the Company.

If any other person infringes upon the lawful rights and interests of the Company, thereby resulting in the Company incurring any loss, shareholders described in the first paragraph of this Article may institute legal proceedings to the people's court in accordance with the preceding two paragraphs.

If the Directors, Supervisors or senior management members of a wholly-owned subsidiary of the Company violate the laws, administrative regulations or the Articles of Association while performing their duties, causing losses to the Company, or if any person infringes the lawful rights and interests of a wholly-owned subsidiary of the Company and thus causes losses, a shareholder or shareholders individually or jointly holding over 1% of the shares of the Company for more than 180 consecutive days, may request in writing, in accordance with the provisions of the preceding three paragraphs, that the Supervisory Committee or the Board of Directors of the wholly-owned subsidiary initiate litigation before the people's court, or initiate litigation before the people's court directly in its or their own names.

Article 39 If any Director or senior management member violates the laws, administrative regulations or the Articles of Association, thereby resulting in the shareholders incurring any loss, the shareholders may institute legal proceedings in the people's court.

Article 40 The shareholders of the Company shall assume the following obligations:

- (I) to abide by laws, administrative regulations and the Articles of Association;
- (II) to pay for the shares pursuant to the quantity and the method of subscription;
- (III) not to withdraw their contributed share capital except in circumstances allowed by the laws and regulations;
- (IV) not to abuse his rights as a shareholder to damage the Company's or other shareholders' interests; not to abuse the independent legal person status of the Company and the limited liability of the shareholders to damage the interests of creditors;
- (V) other obligations as stipulated in laws, administrative regulations, departmental rules, normative documents and listing rules of the stock exchange(s) of the places where the Company's shares are listed and the Articles of Association.

Shareholders of the Company who abuse their shareholders' rights and thereby causing damage to the Company or other shareholders shall be liable for indemnity according to the laws. Shareholders of the Company who abuse the independent legal person status of the Company and the limited liability of shareholders for the purpose 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.

If any Shareholder conducts any action as specified in the preceding paragraph by using two or more companies controlled by him/her, each of the companies shall bear joint liability for the debts of any one of the companies.

Article 41 Shareholders who hold 5% or more voting shares of the Company pledge any of their shares shall report the same to the Company in writing on the day the fact occurs.

Section 2 Controlling Shareholders and De Facto Controllers

Article 42 The Controlling Shareholders and de facto controllers of the Company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, departmental rules, normative documents and other provisions of the securities regulatory authorities of the place where the Company's shares are listed, and safeguard the interests of the Company.

Article 43 The Controlling Shareholders and de facto controllers of the Company shall comply with the following provisions:

- (I) to exercise their rights as shareholders in accordance with the law and not abuse their control or use their related (connected) relationships to prejudice the legitimate interests of the Company or other shareholders;
- (II) to strictly implement the public statements and undertakings made and shall not change or waive them without authorization;
- (III) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure and to inform the Company in a timely manner of material events that have occurred or are proposed to occur;
- (IV) not to appropriate the Company's funds in any way;
- (V) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (VI) not to make use of the Company's undisclosed material information to gain benefits, not to disclose in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;

- (VII) not to prejudice the legitimate rights and interests of the Company and other shareholders through unfair related (connected) transactions, profit distribution, asset restructuring, external investment or any other means;
- (VIII) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organization and business, and not to affect the independence of the Company in any way;
- (IX) other provisions of laws, administrative regulations, departmental rules, normative documents, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where a Controlling Shareholder or de facto controller of the Company does not act as a Director of the Company but actually carries out the affairs of the Company, the provisions of the Articles of Association relating to the duties of loyalty and diligence of Directors shall apply.

Where a Controlling Shareholder or de facto controller of the Company instructs a Director or senior management to engage in an act that is detrimental to the interests of the Company or the shareholders, he/she shall be jointly and severally liable with such Director or senior management.

Article 44 Where a Controlling Shareholder or de facto controller pledges the shares of the Company that he/she holds or actually controls, he/she shall maintain the stability of the Company's control and production operations.

Article 45 Where a Controlling Shareholder or de facto controller transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in the laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of the place where the Company's shares are listed, as well as his/her undertakings in respect of the restriction on the transfer of shares.

Section 3 General Provisions of General Meeting

Article 46 The general meeting of the Company is composed of all shareholders. The general meeting is the organ of authority of the Company and shall exercise the following functions and powers according to the laws:

- (I) to elect and replace Directors and to determine matters relating to the remuneration of the Directors;
- (II) to consider and approve reports made by the Board of Directors;
- (III) to consider and approve the Company's profit distribution plans and loss recovery plans;

- (IV) to resolve on the increase or reduction of the Company's registered capital;
- (V) to resolve on the issuance of corporate bonds or other securities and listing;
- (VI) to resolve on matters such as the merger, division, dissolution, liquidation or transformation of corporate form of the Company;
- (VII) to amend the Articles of Association;
- (VIII) to resolve on the Company's appointment or removal of the accounting firm undertaking audit services of the Company;
- (IX) to consider and approve guarantees required by Article 47 of the Articles of Association;
- (X) to consider matters relating to the purchase and sale of material assets by the Company (including controlling subsidiaries) within one year valued at more than 30% of the audited total assets of the Company as at the latest period;
- (XI) to consider and approve the change in use of proceeds raised;
- (XII) to consider equity incentive plans and employee stock ownership plans;
- (XIII) to consider other matters and transactions which, in accordance with the laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association, shall be approved by the general meeting.

The general meeting may authorize the Board of Directors to resolve on the issue of corporate bonds.

Save as otherwise specified in laws, administrative regulations, or departmental rules, the Company shall not delegate the statutory powers of the general meeting to the Board of Directors or any other body or individual through authorization. Where the general meeting delegates other powers to the Board of Directors or any other body or individual, such delegation shall comply with the principles of authorization stipulated by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, and the specific content of the authorization shall be clearly defined.

Article 47 The following external guarantees given by the Company (including controlling subsidiaries) shall be examined and approved by the general meeting subject to consideration and approval of the Board of Directors:

- (I) any guarantee to be provided after the total amount of external guarantee provided by the Company has reached or exceeded 50% of the audited net assets for the most recent period;
- (II) any guarantee to be provided after the total amount of external guarantee provided by the Company has reached or exceeded 30% of the audited total assets for the most recent period;
- (III) guarantees provided by the Company to others with the amount reaching or exceeding 30% of the Company's audited total assets within one year for the most recent period;
- (IV) guarantees to be provided in favor of a guarantee recipient whose gearing ratio exceeds 70%;
- (V) guarantees with a single guaranteed amount in excess of 10% of the audited net asset for the most recent period;
- (VI) guarantees to be provided in favor of shareholders, de facto controllers and their respective related (connected) parties;
- (VII) other guarantees as stipulated in laws, regulations, normative documents, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where any external guarantee considered and approved in violation of the approval power or review procedure causes a loss to the Company, the related Directors, senior management members or any other person held liable shall bear the liability for damages in accordance with the laws.

Article 48 General meetings shall be divided into annual general meeting and extraordinary general meetings. Annual general meetings are held by the Company once every accounting year and within 6 months from the end of the preceding accounting year.

Article 49 The Company shall convene an extraordinary general meeting within 2 months after the occurrence of any one of the following circumstances:

- (I) where the number of Directors falls short of the minimum number required by the Company Law or is less than two-thirds of the number required by the Articles of Association;

- (II) where the unrecovered losses of the Company amount to one-third of its total share capital;
- (III) where written requests are made by shareholder(s) individually or jointly holding more than 10% of the total number of the Company's shares with voting rights (excluding the treasury shares);
- (IV) where the Board of Directors considers it necessary;
- (V) where the Audit Committee so requests;
- (VI) other circumstances stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 50 The venue of a general meeting shall be the domicile of the Company or other specific venue explicitly stated in the notice of the general meeting.

A meeting venue shall be established for the general meeting and the meeting shall be held by way of on-site meetings, video conferences, telephone conferences or other virtual means permitted by laws, regulations, and the regulatory rules of the place where the Company's shares are listed, through technological means. The Company may also provide online voting or other means (including other electronic methods permitted by laws, regulations, and the regulatory rules of the place where the Company's shares are listed) to facilitate shareholders' participation in the general meeting. The shareholders attending the meeting through aforesaid means shall be deemed as present at the meeting and have the right to speak and vote. Once the notice of the general meeting is issued, the venue of the on-site meeting shall not be changed without valid reasons. If it is necessary to change the venue, the convener shall notify all shareholders and provide reasons thereof at least two business days before the date of the meeting.

Section 4 Convening of General Meeting

Article 51 The Board of Directors shall convene the general meeting on time within the specified period. Subject to the consent of more than half of all the independent non-executive Directors, the independent non-executive Directors shall have the right to propose the Board of Directors to convene an extraordinary general meeting. In respect of a proposal by an independent non-executive Director to convene an extraordinary general meeting, the Board of Directors shall give a written reply on whether or not it agrees to hold such extraordinary general meeting within 10 days after receipt of the request, in accordance with laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice for convening such meeting shall be issued within five days after the date of the resolution of the Board of Directors. If the Board of Directors does not agree to convene such extraordinary general meeting, reasons shall be explained and the announcement shall be made.

Article 52 The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, and shall propose to the Board of Directors in writing. The Board of Directors shall give a written reply on whether or not it agrees to hold such extraordinary general meeting within 10 days after receipt of the request, in accordance with laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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

If the Board of Directors does not agree to convene such extraordinary general meeting, or fails to give a response in writing within ten days after receipt of the proposal, the Board of Directors shall be deemed to be unable to or have failed to perform its duty to convene the general meeting, and the Audit Committee shall have the right to convene and preside over such meeting on its own.

Article 53 Shareholder(s) individually or jointly holding 10% or more of the total number of the Company's shares with voting rights (excluding the treasury shares) shall have the right to request the Board of Directors to hold an extraordinary general meeting and to include proposals in the agenda of the meeting, which shall be submitted in writing to the Board of Directors. The Board of Directors shall give a written reply on whether or not it agrees to hold such extraordinary general meeting within 10 days after receipt of the written request, in accordance with laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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

If the Board of Directors does not agree to convene such meeting, or fails to give a response within ten days after receipt of the request, shareholder(s) individually or jointly holding 10% or more of the total number of the Company's shares with voting rights (excluding the treasury shares) shall have the right to request the Audit Committee to convene an extraordinary general meeting and to include proposals in the agenda of the meeting, which shall be submitted in writing to the Audit Committee.

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

If the Audit Committee fails to issue a notice convening the general meeting by the prescribed period, the Audit Committee shall be deemed to refuse to convene and preside over such meeting, and shareholder(s) individually or jointly holding 10% or more of the total number of the Company's shares with voting rights (excluding the treasury shares) for no less than 90 consecutive days shall have the right to convene and preside over the meeting on their own.

Article 54 The Audit Committee or shareholders that decide to convene a general meeting by itself or themselves shall notify the Board of Directors in writing.

The shareholders that convene the general meeting shall hold at least 10% of the total number of the Company's shares with voting rights (excluding the treasury shares) prior to the announcement of the general meeting's resolutions.

Article 55 For the general meetings convened by the Audit Committee or the shareholders, the Board of Directors and the secretary of Board of Directors shall coordinate accordingly. The Board of Directors shall provide the register of members on the record date.

Article 56 All necessary expenses incurred by the Audit Committee or the shareholders to convene the general meeting shall be borne by the Company.

Section 5 Proposals and Notices of the General Meeting

Article 57 The substance of the motion proposed shall fall within the terms of reference of the general meeting, with clear subjects for discussion and specific issues for resolution and in compliance with the relevant provisions of the laws, administrative regulations and the Articles of Association.

Article 58 Whenever the Company convenes a general meeting, the Board of Directors, the Audit Committee and shareholder(s) individually or jointly holding 1% or more of the Company's shares with voting rights (excluding the treasury shares) shall have the right to propose motions to the Company.

Shareholder(s) individually or in aggregate holding 1% or more of the Company's shares with voting rights (excluding the treasury shares) shall have the right to submit an interim proposal in writing to the convener 10 days prior to the general meeting. The interim proposals shall have clear subjects for discussion and specific issues for resolution. The convener shall serve a supplementary notice of general meeting by announcement within two days after receipt of the proposals, such notice shall contain contents of the interim proposals, and submit the interim proposal to the general meeting for consideration, unless the interim proposals violate the laws, administrative regulations or provisions of the Articles of Association, or do not fall within the functions and powers of the general meeting. The Company shall not raise the shareholding threshold for shareholders to submit interim proposals.

Save as specified in the preceding paragraph, the convener, after issuing the notice of the general meeting, shall neither revise the proposals stated in the notice of general meetings nor add new proposals.

Proposals not set out in the notice of general meeting or not complying with the provisions of the Articles of Association shall not be voted on or resolved at the general meeting.

Article 59 The convener shall notify all the shareholders of an annual general meeting at least 21 days prior to the convening thereof, and shall notify all the shareholders of an extraordinary general meeting at least 15 days prior to the convening thereof. The aforesaid duration shall not include the date on which the meeting is convened. If laws, regulations and the securities regulatory authorities of the place where the Company's shares are listed stipulate otherwise, such provisions shall prevail.

Article 60 Notice of a general meeting shall include the following particulars:

- (I) the time, venue and duration of the meeting;
- (II) the matters and proposals submitted to the meeting for consideration;
- (III) contain a clear statement that all ordinary shareholders (including preferred shareholders with the resumed voting right, if any) are entitled to attend the general meeting and they may appoint proxies in writing to attend and vote on his behalf and that such proxy need not be shareholders of the Company;
- (IV) the equity registration date of shareholders entitled to attend the general meeting;
- (V) the name and telephone number of the regular contact person of the meeting;
- (VI) the time and procedures for voting by internet or other means, if any;
- (VII) other requirements stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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

Article 61 If the proposals for the election of Directors are submitted to the general meeting, the notice of such general meeting shall fully disclose the details of the candidates for Directors, and shall at least include the following particulars:

- (I) personal information, such as educational background, working experience and part-time jobs;
- (II) whether the candidates are related (connected) with the Company or its controlling shareholders or de facto controllers;
- (III) disclosure of their shareholdings in the Company in accordance with the laws and regulations of the place where the Company's shares are listed;
- (IV) whether the candidates have been subject to penalties by the CSRC or other relevant authorities or sanctions by any stock exchanges;
- (V) term and remuneration;
- (VI) information relating to newly appointed, re-elected or re-designated Directors required to be disclosed pursuant to the regulatory rules of the place where the Company's shares are listed.

Except for the election of directors by cumulative voting system, a separate proposal shall be submitted for each director candidate.

Article 62 Upon issuance of the notice of a general meeting, the general meeting shall neither be postponed nor canceled without proper reasons. Proposals listed in such notice shall not be canceled. Once a postponement or cancellation occurs, the Company or the convener shall publish an announcement and specify the cause in accordance with laws, regulations and regulatory rules of the place where the Company's shares are listed.

Section 6 Holding of General Meeting

Article 63 The Board of Directors of the Company and other conveners shall take necessary measures to ensure the general meeting is in order and shall take measures to prevent any interference with the general meeting, disturbance and violation of the legitimate rights and interests of shareholders and promptly report the same to the relevant departments for investigation.

Article 64 All shareholders recorded in the register of shareholders on the equity registration date or their proxies shall be entitled to attend the general meeting, and speak and exercise the voting rights at general meeting in accordance with the relevant laws, regulations, the listing rules of the stock exchange of the place where the Company's shares are listed and the Articles of Association (unless the shareholder waives its voting right in respect of a specific matter in accordance with laws, regulations, the listing rules of the stock exchange of the place where the Company's shares are listed and the Articles of Association, including but not limited to circumstances where the shareholder holds a substantial interest in a specific transaction or arrangement being voted on).

A shareholder may attend the general meeting in person, and may also appoint a proxy to attend and vote on his behalf. Each shareholder is entitled to appoint one or more persons as his/her proxy, but such proxy need not be a shareholder of the Company. If the shareholder is a recognized clearing house (or its nominee) as defined in the relevant regulations enacted by Hong Kong from time to time, the shareholder may authorize the corporate representative(s) or one or more persons as it thinks fit to act as its representative(s) at any general meeting, and these representatives shall rank *pari passu* with other shareholders in statutory rights, including rights to speak and vote.

Article 65 Individual shareholders attending the meeting in person shall present their identity cards or other effective document or proof of identity. If a proxy is appointed to attend the meeting on his/her behalf, the proxy shall present his/her own valid proof of identity and the power of attorney of the shareholder.

Shareholder that is a legal person shall be represented at the meeting by its legal representative (responsible person)/executing partner or proxies appointed by the legal representative (responsible person)/executing partner, and exercise the same statutory rights as other shareholders, including the right to vote. If legal representative (responsible person)/executing partner attends the meeting, he/she shall present his/her identity card and valid certificate evidencing his/her capacity as a legal representative (responsible person)/executing partner; if a proxy is appointed to attend the meeting, such proxy shall present his/her identity card and a written power of attorney duly issued by the legal representative (responsible person)/executing partner of the shareholder that is a legal person or person duly authorized by the shareholder that is a legal person or form of proxy appointment in accordance with the laws. If a shareholder that is a legal person has appointed a proxy to attend any meeting, he/she shall be deemed to attend himself/herself.

If a shareholder is a recognized clearing house (or its proxy) as is defined in the relevant ordinances enacted from time to time under the laws of Hong Kong, it may, as it thinks fit, appoint corporate representative(s) or one or more persons as its proxies at any general meeting and/or creditors meeting. However, if more than one person is appointed, the power of attorney or the instrument of proxy shall specify the number and class of the shares relating to which each such proxy is authorized, and shall be executed by the authorized person of the recognized clearing house. The person so authorized may attend the meeting on behalf of the recognized clearing house (or its proxy) (without being required to present share certificate, notarized authorization and/or further evidence to prove that he/she is duly authorized) to exercise the rights equivalent to those of other shareholders under the law (including the rights to speak and vote) as if he/she was an individual shareholder of the Company.

Article 66 The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall contain the following information:

- (I) the name of the principal, and the class and number of shares of the Company held by such principal;
- (II) the name of the proxy;
- (III) the specific instructions of the shareholder, including separate instructions as to whether to cast favor, negative or abstention votes on each review issue listed on the agenda of the general meeting;
- (IV) the signing date and validity period of the proxy form;
- (V) the signature (or seal) of the principal. If the principal is a legal person shareholder, it shall be affixed with the seal of the legal person or signed by its Director or its formally appointed proxy.

Article 67 If the power of attorney for proxy voting authorization is signed by another person authorized by the principal, the power of attorney or other authorization documents shall be notarized. The notarized letter of authority or other authorization documents and the power of attorney for proxy voting authorization shall be maintained at the domicile of the Company or other places specified in the meeting notice at least twenty-four hours prior to the convening of the meeting in respect of which the proxy is given to vote or twenty-four hours prior to the time specified for the vote to be taken.

If the principal is a legal person, its legal representative or the person authorized by the Board or other decision-making authorities shall attend the general meeting of the Company on its behalf.

Article 68 The register of the persons attending the meeting shall be prepared by the Company. The register shall set out the names of the persons attending the meeting (or names of the entities they are from), their identity card numbers or codes of business licenses for enterprise legal persons, numbers of shares held or representing voting rights and names of the principal (or names of the entities they are from) and other matters.

Article 69 The convener shall verify the legitimacy of the shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing authorities, and register the names of the shareholders together with the numbers of voting shares held by them. The registration of the meeting shall be closed until the chairman of the meeting announces the number of shareholders and proxies present at the meeting and the total number of shares with voting rights.

Article 70 Where the general meeting requires Directors and senior management members to attend the meeting, the Directors and senior management members shall attend the meeting and answer the inquiries of shareholders.

Article 71 The general meeting shall be presided over by the chairman of the Board. Where the chairman of the Board is unable to discharge or fails to discharge his/her duties, the meeting shall be presided over by a Director elected jointly by more than one half of the Directors.

If a general meeting is convened by the Audit Committee on its own, the convener of the Audit Committee shall preside over the meeting. If the convener is unable or fails to discharge his/her duties, the meeting shall be presided over by a member of the Audit Committee elected jointly by a majority of Audit Committee.

If a general meeting is convened by the shareholders themselves, the meeting shall be presided over by the convener or a representative nominated by him/her.

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

Article 72 The Company shall formulate the rules of procedures for general meeting specifying the summoning, convening and voting procedures of general meeting, including notice, registration, deliberation of and voting on proposals, votes counting, announcement of voting results, drafting of meeting resolutions, meeting minutes and their signature, announcements and other content, as well as the principle of delegation of powers to the Board by the general meeting, and the content of delegation shall be clear and specific. The rules of procedures for the general meeting shall be attached hereto as an appendix, and formulated by the Board and approved by the general meeting.

Article 73 At the AGM, the Board shall report on their work over the past year at the general meeting. Each independent non-executive Director shall also deliver his/her work report.

Article 74 Directors and senior management members shall explain and answer the queries and suggestions raised by the shareholders at the general meeting.

Article 75 The chairman of the meeting shall declare the number of shareholders and proxies present and the total number of shares with voting rights they hold before voting. To determine the number of shareholders and proxies present and the total number of shares with voting rights they hold, the meeting register shall prevail.

Article 76 Minutes of general meeting shall be kept and the secretary of the Company shall be responsible therefor. The meeting minutes shall include the following particulars:

- (I) the time and venue of, and the agenda for the meeting, and the name or title of the convener;
- (II) names of the meeting presider and the Directors, general manager and other senior management members attending the meeting;
- (III) the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held and their respective proportions in the total number of the Company's shares;
- (IV) considerations on each proposal, key points and the voting results;
- (V) queries or recommendations from shareholders and corresponding answers or explanations;
- (VI) names of the vote counting officer and the scrutineer;
- (VII) other contents that shall be included in the meeting minutes according to the Articles of Association;
- (VIII) the proportion of voting shares held by shareholders (including shareholder proxies) present at the general meeting to the total shares of the Company; when recording the voting results, the voting status of shareholders on each resolution item shall also be recorded;
- (IX) other contents as prescribed by the laws, administrative regulations, departmental rules, normative documents, regulatory rules of the place where the Company's shares are listed.

Article 77 The convener shall guarantee the authenticity, accuracy and integrity of the content of the meeting minutes. The Directors, the Board secretary, convener or their representatives who attend the meeting, and the meeting presider and the recorder shall sign the meeting minutes.

The meeting minutes together with the valid materials including the signature book of shareholders attending the meeting, the instrument of proxy, other valid materials relating to voting by internet and other methods shall be kept for a period of not less than 10 years.

Article 78 The convener shall guarantee that the general meeting continues until the final resolution has been adopted. If the general meeting is suspended or the resolution cannot be made due to force majeure or other special causes, necessary measures shall be taken to resume the general meeting or directly terminate the general meeting, and an announcement shall be made in time.

Section 7 Voting and Resolutions at General Meeting

Article 79 The resolutions of the general meeting shall be divided into ordinary resolutions and special resolutions.

An ordinary resolution made by the general meeting shall be passed by more than half of the votes held by the shareholders (including proxies of shareholders) attending the general meeting.

A special resolution made by the general meeting shall be passed by a two-thirds majority of the votes held by the shareholders (including proxies of shareholders) attending the general meeting.

Changes in the rights attached to a class of shares shall be approved by the shareholders of the Company holding shares of the class to which the relevant rights are attached, by a majority of at least two-thirds of the votes of the shareholders present at the general meeting of the class of shares and having the right to vote for the amendment of the rights of the class of shares (excluding any voting rights attached to treasury shares).

Article 80 The following matters shall be resolved at the general meeting through ordinary resolutions:

- (I) work reports of the Board;
- (II) plans of profits distribution and loss recovery schemes proposed by the Board;
- (III) appointment and dismissal of the members of the Board (including the removal of a Director before the expiration of his/her term of office, without prejudice to any claim for damages that the Director may have under any contract) and decision on remuneration and payment methods thereof (subject to the specific provisions of the employment agreement);

- (IV) appointment and dismissal of accounting firms that provide regular audit services to the Company, and decision on remuneration thereof;
- (V) other matters other than those that are required to be adopted by way of special resolution by laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed or the Articles of Association.

Article 81 The following matters shall be passed by way of a special resolution at a general meeting:

- (I) increase or reduction in the registered capital of the Company;
- (II) spin-off, split, merger, dissolution and liquidation of the Company;
- (III) amendment to the Articles of Association (in whatever form);
- (IV) matters on purchase or sale of material assets or provision of external guarantee with an amount of more than 30% of the Company's audited total assets value for the most recent period within one year;
- (V) share incentive scheme and employee share ownership schemes;
- (VI) other matters stipulated by laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Company's shares are listed or the Articles of Association, and specified by ordinary resolutions of the general meeting that are considered to be significant to the Company and shall be approved by special resolutions.

Article 82 Shareholders (including proxies of shareholders) shall exercise the voting rights with respect to the number of voting shares represented by them, and each share shall have one vote. When voting at a general meeting, shareholders (including proxies of shareholders) who are entitled to two or more votes are not required to vote for, against or abstain all of their votes.

When material issues affecting the interests of minority investors are considered at a general meeting, the votes of minority investors shall be counted separately. The separate voting results shall be promptly disclosed in accordance with the laws, administrative regulations, departmental rules, normative documents, listing rules of the stock exchange of the place where the Company's shares are listed or the Articles of Association.

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

Where the laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed require any shareholder to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholders or their proxies in contravention of such requirements or restrictions shall not be counted.

Article 83 When the related or connected transactions are considered at the general meeting, the related or connected shareholders and their associates (as defined in the Hong Kong Listing Rules) shall abstain from voting, and the number of voting shares represented by them shall not be counted in the total number of valid votes. The resolution announcement of the general meeting shall fully disclose the voting results of the unrelated or unconnected shareholders and other contents required by the regulatory rules of the place where the Company's shares are listed.

Before the related or connected transactions are considered at the general meeting, the Company shall determine the scope of related or connected shareholders in accordance with relevant laws, regulations and normative documents. Related or connected persons or their authorized representatives may attend the general meeting and may express their views to the shareholders present in accordance with the procedures of the general meeting, but shall recuse themselves from voting. If the related or connected persons do not recuse themselves from voting, other shareholders attending the meeting shall have the right to request them to recuse themselves from voting. After the avoidance of the related or connected persons, other shareholders shall vote according to their voting rights and adopt the corresponding resolution in accordance with the provisions of the Articles of Association; the presider shall announce the number of shareholders and proxies other than the related or connected persons present at the meeting and the total number of shares with voting rights.

Ordinary resolutions on related or connected transactions shall be passed by unrelated or unconnected shareholders holding over half of the shares with voting rights present at the general meeting; and special resolutions shall be passed by related or unconnected shareholders holding over two-thirds of the shares with voting rights present at the general meeting.

If a related or connected person or its associate participates in the voting in violation of this Article, his/her vote on relevant related or connected transactions shall be invalid.

Article 84 Unless the Company is in danger or under other special circumstances, the Company shall not, without the approval of the general meeting by way of special resolution, enter into contracts with persons other than Directors, general manager and other senior managers granting such persons the responsibility for managing all or part of the Company's material business.

Article 85 List of candidates for Directors shall be submitted to the general meeting by way of proposal.

When voting in respect of the election of Directors at the general meeting, a cumulative voting system shall be adopted in accordance with provisions of the Articles of Association or resolutions at the general meeting. Cumulative voting system shall be adopted for the election of two or more independent Directors at the general meeting.

The cumulative voting system mentioned in the preceding paragraph refers to: in electing Directors at the general meeting, the voting right(s) carried by each share shall be the same as the number of Directors to be elected. The voting right(s) of the shareholders can be exercised on a concentration basis. However, independent non-executive Directors, non-independent Directors of the Company shall be elected and voted separately. The Board of Directors shall announce the biographical details and basic information of the candidates for Directors to the shareholders.

Article 86 In addition to the cumulative voting system, the general meeting shall resolve on all the proposals separately; in the event of several proposals on the same matter, such proposals shall be voted on and resolved in the order of time at which they are submitted. Other than special reasons such as force majeure which results in the interruption of the meeting or makes it impossible to come to resolution, the general meeting shall not set aside the proposals or withhold from voting.

Article 87 No change of the proposal by the general meeting shall be allowed in the course of deliberating the proposal at the meeting; otherwise such amendments shall be deemed as a new proposal, which shall not be eligible for being voted upon at the same meeting.

Article 88 The Company shall facilitate shareholders' voting on site, via the internet or by other means (including electronic means permitted under laws and regulations as well as the regulatory rules of the place where the Company's shares are listed). The same voting right shall only be exercised on site, via the internet or by other means. The first vote shall prevail in cases when a given voting right is exercised repeatedly.

Article 89 The general meeting shall adopt the registered voting, unless otherwise stipulated by relevant laws, regulations, and listing rules of the stock exchange where the Company's shares are listed.

Article 90 Before the relevant proposal is voted on at the general meeting, two representatives of the shareholders shall be appointed for the purpose of counting and monitoring the votes. In the event that the shareholders are related to the proposals to be deliberated, such relevant shareholders or their proxies shall not be appointed for counting and monitoring the votes.

When votes are cast on proposals at the general meeting, representatives of the shareholders and other relevant persons appointed pursuant to the regulatory rules in the place where the Company's shares are listed shall be jointly responsible for counting and monitoring the votes and shall announce the voting results at the meeting. The voting result shall be recorded in the meeting minutes.

Shareholders of the Company or proxies casting votes online or through other means shall be entitled to check their respective voting results through corresponding voting systems.

Article 91 A physical general meeting shall not be concluded earlier than the one held via the Internet or through other means. The chairman of the meeting shall announce details and poll results on each proposal, and whether a proposed resolution has been passed based on such results.

Prior to the formal announcement of poll results, the Company, vote counters, vote scrutineers, shareholders, network services providers and other related parties involved at the physical general meeting, via internet or by other means, shall have an obligation to keep confidential details of the voting.

Article 92 Shareholders attending the general meeting shall express one of the following opinions on the proposal submitted for voting: affirmative, negative or abstention. Unless otherwise stated, an approved clearing house or its agent as defined in the relevant ordinances in force from time to time under Hong Kong law acting as a nominal holder shall make declarations in accordance with the instructions of the beneficial owners.

Where any ballot is not completed in full, is completed incorrectly or unintelligibly, or has no vote recorded, the voter shall be deemed to have waived his/her voting rights and the voting result for his/her shares shall be deemed as an "abstention".

If the regulatory rules in the place where the shares of the Company are listed require any shareholder to waive his/her voting right with respect to a matter to be resolved or restrict any shareholder to vote for or against any matter to be resolved, no votes cast by such shareholder or his/her proxy shall be counted in the event of any violation of such regulations or restrictions.

Article 93 If the chairman of the meeting has any doubt as to the result of any resolution put to vote, he/she may have the votes counted. If the chairman of the meeting has not counted the votes, any attending shareholder or proxy thereof who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the poll result, and the chairman of the meeting shall have the votes counted immediately.

Article 94 The resolution of the general meeting shall be promptly announced in accordance with relevant laws, regulations, departmental rules, normative documents, regulatory rules of the place where the shares of the Company are listed and the Articles

of Association. The announcement shall state the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and the proportion of these shares to the total number of voting shares of the Company, the form of voting, the poll results of each proposal, and the details of each resolution passed and other information shall be disclosed required by the regulatory rules of the place where the shares of the Company are listed.

Article 95 In the event that a proposal is not passed, or a resolution passed at a previous general meeting is modified at the general meeting, a special note shall be made in the resolutions of the general meeting.

Article 96 Where a proposal on the election of Directors is passed at the general meeting, the term of office of the newly appointed Directors shall commence on the date on which the resolutions is passed at the general meeting or the date on which the appointments set out in such resolutions become effective.

Article 97 Where a proposal on the distribution of cash dividends or bonus shares or on share capital increase with transfers from the capital reserves has been passed at the general meeting, the Company shall implement a specific plan within two months upon the conclusion of the general meeting.

CHAPTER V BOARD OF DIRECTORS

Section 1 Directors

Article 98 Directors of the Company shall be natural persons, and none of the following persons may serve as a Director of the Company:

- (I) a person without capacity or with limited capacity for civil acts;
- (II) a person who was sentenced to criminal punishment for the crime of corruption, bribery, encroachment or embezzlement of property or disruption of the order of socialist market economy; or a person who was deprived of his/her political rights for committing a crime and not more than 5 years has elapsed since the expiration of the enforcement period; or a person who was given a suspended sentence and not more than 2 years has elapsed since the expiration of the probation period;
- (III) a director, factory director or general manager of a company or enterprise liquidated upon bankruptcy that was personally responsible for the bankruptcy of the company or enterprise, and not more than 3 years has elapsed since the date of completion of the bankruptcy liquidation of such company or enterprise;
- (IV) the legal representatives of a company or enterprise that had its business licenses revoked and had been closed down by order for violation of law, for which such representatives bear individual liability, and not more than 3 years has elapsed since the date of revocation of such business licenses of such company or enterprise;

- (V) a person who is listed as a defaulter by a people's court since he/she owes a large amount of debts due and unsettled;
- (VI) a person who is imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;
- (VII) a person who has been publicly identified by the stock exchange as being unsuitable to serve as Directors or senior management members of listed companies for a period which has not yet expired;
- (VIII) any other circumstances as prescribed by the laws, administrative regulations, departmental rules, normative documents, regulatory rules of the place where the Company's shares are listed or relevant regulatory authorities.

Elections, appointments or employment of Directors in violation of the preceding paragraphs of this Article shall be invalid. In the event that the circumstances as stipulated in this Article arise during the term of appointment of Directors, the Company shall dismiss the appointment and terminate the performance of duties.

Article 99 Directors shall be elected or replaced at the general meeting and may be removed by the general meeting by an ordinary resolution before the expiration of their term of office, with the removal taking effect on the date of the resolution, provided that such removal shall not affect the Director's right to claim damages under any contract (subject to the terms of the Director's employment agreement).

A Director shall serve a term of three years and can be re-elected upon the expiry of the tenure.

The term of office of a Director shall start from the date on which the Director assumes office to the expiration of the term of office of the current Board. If the term of office of a Director expires but re-election is not made in a timely manner, the said Director shall continue to perform the duties as Director pursuant to laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association until the elected Director assumes his/her office.

If a Director resigns, he/she shall notify the Company in writing, and the resignation shall take effect on the date the Company receives the notice. However, under the circumstances specified in the preceding paragraph above, the Director shall continue to perform his/her duties.

A Director may be the general manager or other senior management members concurrently, provided that the total number of Directors who concurrently serve as the general manager or other senior management members and Directors who are employee representatives shall not exceed half of the total number of Directors of the Company.

Article 100 Directors shall abide by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association, take measures to avoid the conflict between their own interests and those of the Company and may not seek any improper interests by taking advantage of their duties and powers, and shall have the following duty of loyalty to the Company:

- (I) shall not abuse their authority by accepting bribes or other illegal income, and shall not encroach on the Company's property;
- (II) shall not misappropriate company funds;
- (III) shall not deposit Company's assets or funds into accounts held in their own names or in the name of any other individual;
- (IV) shall not conclude any contract or engage in any transaction with the Company in violation of the Articles of Association. Where any Director directly or indirectly concludes a contract or conducts a transaction with the Company, he/she shall report the matters relating to the entering into of the contract or transaction to the Board of Directors or the general meeting. Such matters shall be subject to the resolution of the Board of Directors or the general meeting according to the Articles of Association and the relevant laws, regulations, and regulatory rules of the place where the Company's shares are listed. This also applies when the close family members of the Directors, the enterprises directly or indirectly controlled by the Directors or their close family members, and the related or connected persons who have other related or connected relationships with the Directors enter into contracts or conduct transactions with the Company;
- (V) shall not use the advantages provided by their own positions to pursue business opportunities that belong to the Company either for their own account or for the account of any other person, except in any of the following circumstances:
 - 1. reporting to the Board of Directors or the general meeting and obtaining approval through resolutions by the Board of Directors or the general meeting as stipulated in the Articles of Association;
 - 2. according to laws, administrative regulations, or the Articles of Association, the Company shall not utilize such business opportunity;
- (VI) not to engage in business similar to that of the Company for himself/herself or others, unless such act has been reported to and approved by the Board of Directors or the general meeting in accordance with the Articles of Association or/and the relevant laws, regulations, and regulatory rules of the place where the Company's shares are listed;

- (VII) not to receive as their own commission for transactions between others and the Company;
- (VIII) not to disclose secrets of the Company without authorization;
- (IX) not to damage the interests of the Company by taking advantage of his/her related or connected relationship;
- (X) other fiduciary duties stipulated by laws, administrative regulations, and departmental rules and the Articles of Association.

The income obtained by the Directors in violation of this Article shall be returned to the Company. If losses are caused to the Company, they shall be liable for compensation.

Where the Board of Directors resolves on a matter specified in items (IV), (V) and (VI) of this Article, the related (connected) Directors shall not participate in the voting and their voting rights shall not be counted towards the total number of voting rights. If less than three non-related (connected) Directors attend the Board meeting, the matter shall be submitted to the general meeting for consideration.

Article 101 The Directors shall comply with the laws, administrative regulations and the Articles of Association and shall fulfill their obligations with reasonable care generally due to managers in the best interests of the Company, and shall diligently perform the 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 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 authenticity, accuracy and completeness of the information disclosed by the Company;
- (V) to provide all relevant information and materials required by the Audit Committee and shall not intervene the performance of duties of the Audit Committee;
- (VI) other diligence obligations required by laws, administrative regulations, departmental rules, the Articles of Association and regulatory rules of the place where the Company's shares are listed.

Where a controlling shareholder and a de facto controller who does not act as a Director of the Company but actually handles the affairs of the Company, the relevant provisions on the preceding article and this article shall apply thereto.

Article 102 If any director fails to attend Board meetings, either in person or by authorizing another director on his/her behalf, for two consecutive meetings, he/she shall be deemed as failing to perform his/her duties. The Board of Directors shall propose at the general meeting to replace such director.

Article 103 Directors may resign before the expiration of their term of office. The resigning Director shall submit a written resignation report to the Board of Directors, and the Board of Directors shall disclose the relevant information within two days. Where laws, regulations, or the securities regulatory authorities of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

In the event that the resignation of any Directors results in the number of members of the Board of Directors of the Company being less than the statutory minimum requirement, the said Director shall continue to perform duties as Director pursuant to the laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association until the elected Director assumes his/her office. The Board of Directors shall convene an extraordinary general meeting as early as possible to elect the Director and fill up the vacancy resulting from the said resignation.

Subject to the relevant laws and regulations of the place where the Company's shares are listed, if the Board of Directors appoints a new Director to fill a casual vacancy or as an additional Director, the term of appointed Director shall expire at the next annual general meeting of the Company after his/her appointment and he/she shall be eligible for re-election. All Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first annual general meeting after appointment.

Save for the circumstances referred to in the preceding paragraph, the Director's resignation takes effect upon delivery of his/her resignation report to the Board of Directors.

Article 104 The Company has established a management system for director resignations, clearly specifying the accountability and compensation measures for unfulfilled public commitments and other outstanding matters. A Director whose resignation takes effect or whose term of office expires shall complete all formalities of transfer to the Board of Directors, and his/her duty of loyalty to the Company and the shareholders shall not be discharged after the expiration of his/her term of office and shall remain effective for 3 years after the effectiveness of resignation or expiration of his/her term of office.

After the effectiveness of the resignation of a Director or the expiration of his or her term of office, his or her obligation to keep in confidence the trade secrets of the Company shall survive the termination of his or her term of office, and such Director shall not conduct any business the same as or similar to that of the Company by making use of the key technology of the Company. The continuation period of the other obligations shall be determined in accordance with the principle of fairness, taking into account of the lapse between the occurrence of relevant event and his or her departure and the circumstance and condition under which his or her relation with the Company is terminated.

Article 105 Save as specified in 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 in his/her own name. If a Director acts in his/her own name but a third party may reasonably think that the said Director is acting on behalf of the Company or the Board of Directors, the said Director shall make a prior statement of his/her standpoint and capacity.

Article 106 Any director who violates laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed or the Articles of Association in performing his/her duties and thereby causes losses to the Company shall be liable for compensation.

If a director causes losses to others in performing his/her duties, the Company shall be liable for compensation; the director shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

Article 107 Independent non-executive Directors shall earnestly fulfill their responsibilities in accordance with the relevant provisions of laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Company's shares are listed. They shall play their roles in participating in decision-making, supervising and balancing, and providing professional advice in the Board of Directors to maintain the overall interests of the Company and protect the legitimate rights and interests of minority shareholders. An independent non-executive Director may tender resignation before the expiry of his or her term of office. If at any time the Company's independent non-executive Directors do not meet the requirements specified by the regulatory rules of the place where the Company's shares are listed, the Company must announce and rectify the situation in accordance with the requirements of the regulatory authority or the regulatory rules of the place where the Company's shares are listed.

Section 2 Board of Directors

Article 108 The Company shall have a Board of Directors which shall be accountable to the general meeting.

Article 109 The Board of Directors consists of nine Directors, with one chairman of the Board of Directors. Among them, at least three shall be independent non-executive Directors and shall not be less than one-third of the number of directors of the Company. At least one of the independent non-executive directors must have appropriate accounting or related financial management expertise, or appropriate professional qualifications, as defined by the stock exchange where the Company's shares are listed. Additionally, at least one independent non-executive director must ordinarily reside in Hong Kong. With respect to the system of independent non-executive directors, if not provided for in the Articles of Association, the relevant provisions of the relevant laws, administrative regulations and the listing rules of the stock exchange where the Company's shares are listed shall be followed.

Article 110 The Board of Directors exercises the following duties and powers:

- (I) to convene a general meeting and submit a work report to such meeting;
- (II) to implement the resolutions of a general meeting;
- (III) to decide on the operation plan and investment scheme of the Company;
- (IV) to prepare the profit distribution plan and loss recovery plan of the Company;
- (V) to prepare the plan for the Company to increase or reduce its registered capital, issuance of bonds or other securities and listing plans;
- (VI) to formulate plans for material acquisitions, purchase of shares of the Company, or merger, division, dissolution and transformation of the Company;
- (VII) to decide on the Company's outbound investments, acquisition and sale of assets, pledge of assets, external guarantees, entrusted financial management, related or connected transactions and external donations within the scope of authorization of the general meeting;
- (VIII) to decide on the establishment of the internal management organizations of the Company;
- (IX) to appoint or dismiss the general manager of the Company, the Secretary of the Board of Directors and their remunerations, incentives and punishments; to appoint or dismiss the senior management members including the deputy general manager and the chief financial officer of the Company based on the nominations made by the general manager, and to determine their remunerations, incentives and punishments;
- (X) to establish a basic management system of the Company;
- (XI) to prepare plans to amend the Articles of Association;
- (XII) to manage information disclosure by the Company;

- (XIII) to make the proposal of engaging or replacing an accounting firm that provides audit service to the Company to the general meeting;
- (XIV) to receive the work report by the general manager of the Company and review the work performance of the general manager;
- (XV) to consider and approve transactions (including, but not limited to, notifiable transactions and related or connected transactions) that are required to be decided by the Board of Directors in accordance with the regulatory rules of the place where the Company's shares are listed;
- (XVI) other functions and powers 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 or the general meeting.

Except for items (V), (VI) and (XI), and other matters required by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association, which shall be passed with the approval of more than two-thirds of the Directors, matters resolved by the Board of Directors in the preceding paragraph may be passed with the approval of more than half of the Directors.

Matters exceeding the scope of authorization by the general meeting shall be submitted to the general meeting for consideration.

Article 111 The Board of Directors of the Company shall explain at the general meeting with respect to any non-standard audit opinions issued by certified public accountants on the financial report of the Company. Where laws, regulations, or the securities regulatory authorities of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

Article 112 The Board of Directors of the Company shall formulate the rules of procedures for the Board of Directors to ensure the implementation of the resolutions of the general meeting by the Board of Directors, improve the work efficiency and ensure scientific decision-making.

Article 113 The Board of Directors of the Company shall determine the authority of external investment, acquisition and sale of assets, asset mortgage, external guarantee matters, entrusted financial management, major transaction, related (connected) transactions, and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professionals and reported to the general meeting for approval. Transactions or matters occurring in the Company that should be submitted to the Board of Directors for consideration as stipulated by laws, administrative regulations, departmental rules and the listing rules of the stock exchange where the Company's shares are listed shall be executed in accordance with the corresponding provisions.

The term “transactions” as mentioned in the Articles of Association shall include but not limited to: (I) acquisition or sale of assets; (II) external investment (including entrusted financial management, investment in subsidiaries, etc.); (III) provision of financial assistance (including entrusted loans); (IV) provision of guarantees (including guarantees to subsidiaries); (V) leasing in or leasing assets; (VI) entering into management contracts (including entrusting operation and being entrusted to engage in operation, etc.); (VII) donation or receiving donated assets; (VIII) restructuring of creditor’s rights or debt; (IX) transfer of research and development projects; (X) signing of license agreements; (XI) waiver of rights (including waiver of pre-emptive right, priority right to subscribe for capital contribution); (XII) other transactions as stipulated under the laws, regulations and normative documents.

The acquisition or sale of assets mentioned above shall not include the purchase of raw materials, fuels and power, and the sale of products and commodities, which are related to daily operations, but shall include the acquisition or sale of such assets contemplated under the replacement of assets.

The specific authorities and procedures for the Company’s review and decision-making regarding the aforementioned transactions are as follows:

- (I) any transaction conducted by the Company that meets any of the following criteria shall, after being considered and approved by the Board of Directors, be further submitted to the general meeting for consideration:
 - 1. profit derived from the transaction accounts for more than 50% of the Company’s audited net profit for the most recent accounting year;
 - 2. transactions that are required to be approved by the general meeting under the regulatory rules of the place where the Company’s shares are listed (including the Hong Kong Listing Rules).
- (II) any transaction conducted by the Company (excluding provision of guarantees or financial assistance) that meets any of the following criteria but falls below the threshold requiring general meeting consideration, such transaction shall be subject to consideration and approval by the Board of Directors:
 - 1. total amount of assets involved in the transaction accounts for more than 10% of the Company’s latest audited total assets, and if such assets have carrying amount and valuation value, the higher of the said values will be used for calculation;
 - 2. principal operating income related to the subject matter of the transaction (e.g. equity interest) for the most recent accounting year accounts for more than 10% of the Company’s audited operating income for the same period;

3. net profit related to the subject matter of the transaction (e.g. equity interest) for the most recent accounting year accounts for more than 10% of the Company's audited net profit for the same period;
 4. transaction amount (including the debt and expenses assumed) accounts for more than 10% of the Company's latest audited net assets;
 5. profit derived from the transaction accounts for more than 10% of the Company's audited net profit for the most recent accounting year;
 6. transactions that may constitute notifiable transactions under Chapters 14 and 14A but do not require general meeting approval under the Hong Kong Listing Rules.
- (III) all other transactions not subject to the aforesaid general meeting or Board of Directors consideration and approval requirements shall be approved by the Chairman of the Board of Directors.
- (IV) Unless otherwise stipulated by laws, administrative regulations, departmental rules, or the regulatory rules of the place where the Company's shares are listed (including the Hong Kong Listing Rules), the means and methods for determining the relevant monetary thresholds under the aforementioned provisions shall be as follows:
1. When the Company and the same counterparty simultaneously carry out two transactions other than external investments, provision of financial assistance and provision of guarantees in opposite directions, the calculation shall be based on the higher of the indicators involved in the transaction in single direction.
 2. If a transaction conducted by the Company involves equity interests, and a purchase or disposal of such equity interests will result in a change in the scope of the consolidated statement of the Company, the total assets and operating income of the Company attributable to such equity interests shall be deemed to be the total assets involved in such transaction and the operating income related to the subject matter of such transaction under this Article.
 3. When the Company engages in transactions such as providing financial assistance or entrusted financial management, the actual amount incurred shall be used as the calculation basis. These transactions shall be aggregated over a consecutive 12-month period according to their specific types, with the applicable review procedures determined based on the cumulative amount.
 4. For the Company's external investments to establish a limited liability company or a company limited by shares, the total agreed capital contribution stipulated in the agreement shall serve as the applicable standard.

5. When the Company engages in transactions such as purchase or disposal of assets, the higher of either the total asset amount or the transaction amount shall serve as the calculation benchmark. Such transactions shall be aggregated over a consecutive 12-month period based on their specific types. When the cumulative amount reaches 30% of the Company's most recent audited total assets, an audit or valuation shall be conducted in accordance with applicable regulations, and the matter shall further be submitted to the general meeting for approval by more than two-thirds of the voting rights held by the shareholders present at the meeting.
6. If the above has already undergone the corresponding consideration procedures in accordance with the regulations, it will no longer be included in the scope of the relevant cumulative calculations.

Article 114 The Board of Directors shall have one chairman, who shall be elected and dismissed by a majority of the directors. The term of office of the chairman shall be three years and may be re-elected.

Article 115 The chairman of the Board of Directors shall exercise the following duties and powers:

- (I) to preside over the general meetings and to convene and preside over the Board meetings;
- (II) to supervise and examine the implementation of the resolutions of the Board of Directors;
- (III) to sign the securities issued by the Company, important documents of the Board of Directors and other documents required to be signed by the chairman of the Board of Directors;
- (IV) to nominate any candidate for the position of general manager to the Board for discussion and voting;
- (V) in case of emergency circumstances of force majeure events such as extraordinary natural disasters, to exercise special disposal powers in compliance with legal requirements and in the interests of the Company with regard to affairs of the Company and provide post event reports to the Board of Directors and the general meeting;
- (VI) to exercise other duties and powers conferred by the Board of Directors.

Article 116 If the chairman of the Board of Directors is unable or fails to perform his/her duties, more than half the directors may jointly elect one of the directors to act on his/her behalf.

Article 117 The Board of Directors shall hold at least four meetings every year and nearly one meeting every quarter. The meeting of the Board of Directors shall be convened by the chairman of the Board of Directors, with a notice in writing delivered to all directors by hand, fax, email, or other methods permitted by laws, regulations, and the regulatory rules of the place where the Company's shares are listed at least 14 days before the meeting is convened.

Article 118 Shareholders representing more than one-tenth of the voting rights, and more than one-third of the Directors or the Audit Committee may propose an extraordinary Board meeting. The chairman of the Board of Directors shall convene and preside over an extraordinary Board meeting within 10 days after receiving the proposal. No regular meeting of the Board shall be held by means of written circulation for signing.

Article 119 The notice of the extraordinary Board meeting in written form shall be delivered to all directors by hand, fax, email, or other methods permitted by laws, regulations, and the regulatory rules of the place where the Company's shares are listed. All directors must be notified at least 3 days prior to the convening of meeting. When an urgent situation necessitates the prompt convening of an extraordinary Board meeting, notice of meeting may be given at any time by telephone or other forms of verbal communication, provided that the convener shall give an explanation thereof at the meeting. The agenda of regular Board meetings and its related documents shall be submitted to all directors in full and in time and shall be delivered at least three days (or within other days agreed) before the dates of the planned Board meeting or meeting of any special Board committees.

Article 120 The notice of the Board meeting shall specify:

- (I) the date and venue of the meeting;
- (II) the duration of the meeting;
- (III) the reasons and matters for discussion;
- (IV) the date of the notice;
- (V) other details as stipulated in laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange of the place where the shares of the Company are listed or the Articles of Association.

Article 121 A Board meeting shall be attended by more than one half of the Directors. Save as otherwise specified in the Articles of Association, resolutions made by the Board of Directors must be passed by more than half of all Directors.

As for the voting on a Board resolution, each director shall have one vote.

Article 122 If any Director has relationship or connection with the enterprise involved in the resolution made at a Board meeting, the said Director shall promptly report in writing to the Board of Directors. Such directors shall abstain from voting on such resolution, nor may he/she exercise the voting right on another director's behalf thereon. The quorum of such Board meeting shall be one half of non-related (non-connected) directors and the resolution of such Board meeting shall be passed by more than half of non-related (non-connected) directors. However, for any resolution that shall be passed by two-thirds of the members of the Board of Directors, it shall be passed by two-thirds of non-related (non-connected) directors. If the number of non-related (non-connected) directors is less than three, the issue shall be submitted to the general meeting for consideration.

Article 123 Resolutions of the Board of Directors shall be ballot voting or a show of hands. Provided that the directors may fully express their opinions, extraordinary board meetings may be convened and voted by way of telephone, fax, email or other methods permitted by laws, regulations, and the regulatory rules of the place where the Company's shares are listed, and such resolutions shall be signed by the directors attending the meeting.

The directors shall sign the resolutions of the Board of Directors and assume responsibility for such resolutions. If the resolution of the Board of Directors violates the laws, regulations or the Articles of Association, causing losses to the Company, all the directors participating in making such resolutions shall be liable for compensation to the Company. However, if there is evidence showing that a director has expressed his objection to such resolutions and such objection is recorded in the meeting minutes, such director may be exempted from liability.

Article 124 Directors shall attend Board meetings in person. If any director is unable to attend the meeting for any reason, he/she may appoint in writing another director to attend the meeting on his/her behalf. Such instrument of proxy shall specify the name of proxy, matters authorized, powers delegated and validity term and be signed or stamped by the principal. Directors attending a meeting as the proxy of another director shall exercise the rights of a director within the powers delegated by the principal. Directors shall not make or accept the appointment or carte blanche without any voting intent on the resolutions, or any appointments that are not well defined. When considering related (connected) transactions, non-related (non-connected) directors shall not appoint related (connected) directors to attend the meeting on his/her behalf. Any Director who fails to attend a Board meeting in person or by proxy shall be deemed to have waived his/her voting rights at such meeting.

Article 125 The Board of Directors shall keep minutes of resolutions on matters discussed at the meeting. The directors attending the meeting shall sign on the minutes. The minutes of the meeting shall record in detail the matters deliberated and resolutions adopted, including any concerns or dissenting opinions raised by directors. The full set of Board meeting minutes shall be retained by the Company secretaries. The draft and final

versions of the meeting minutes shall be circulated to all directors within a reasonable time after the meeting, with the draft for directors' comments and the final version for their records.

The minutes of the Board meeting shall be kept as the files of the Company for a period of at least 10 years, with complete copies distributed to each director as soon as practicable. Any director may inspect the meeting minutes at reasonable times upon giving reasonable notice to the Company.

Article 126 The minutes of the Board meeting shall consist of the following:

- (I) the date and venue of the meeting and the name of the convener;
- (II) the names of the directors attending the meeting and names of the directors (proxies) appointed by others to attend the Board meeting;
- (III) the agenda of the meeting;
- (IV) the main points of speeches of directors;
- (V) the voting method and poll result of each resolution (the poll results shall contain the number of votes for, against or abstention);
- (VI) other contents as stipulated in the rules of procedures of the Board of Directors;
- (VII) other laws, administrative regulations, departmental rules, normative documents, and regulatory rules of the place where the Company's shares are listed.

Section 3 Independent Directors

Article 127 Independent directors shall diligently perform their duties in accordance with laws, administrative regulations, departmental rules, normative documents, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association. They shall play their roles in participating in decision-making, supervising and balancing, and providing professional advice in the Board of Directors to maintain the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Article 128 The independent directors must be independent. The following persons shall not serve as independent directors:

- (I) persons employed by the Company or its subsidiaries and their immediate family members and major social connections (immediate family members shall include spouses, parents, children etc.; and major social connections shall include siblings, parents-in-law, sons/daughters-in-law, spouses of siblings, siblings of spouse etc.);

- (II) the person who legally or beneficially holds more than 1% of the total issued share capital (excluding treasury shares) of the Company, or the natural person shareholders of one of the top ten shareholders of the Company, and such shareholder's immediate family members;
- (III) persons holding positions at entities which are such shareholders of the Company directly or indirectly holding more than 5% of the issued shares of the Company or which are ranked as the top five shareholders of the Company and their immediate family members;
- (IV) persons holding positions at subsidiaries of the controlling shareholders or de facto controllers of the Company and their spouses, parents and children;
- (V) persons involved in substantial business dealings with the controlling shareholders or de facto controllers of the Company or their respective subsidiaries or persons holding positions at entities involved in substantial business dealings and their controlling shareholders or de facto controllers;
- (VI) persons providing services such as financial, legal, consulting or sponsorship to the Company and its controlling shareholder, de facto controllers or their respective subsidiaries, including but not limited to all members of project teams, vetting personnel at all levels, personnel undersigning reports, partners, directors, senior management and principal officers of the agencies providing the services;
- (VII) persons who have satisfied the conditions stated in the above six paragraphs within the most recent year;
- (VIII) the person who has acquired an interest in any securities of the Company by way of gift or other financial assistance from the Company or its core connected persons (except for permitted exceptions under the Hong Kong Listing Rules);
- (IX) the person is a director, partner or principal of a professional consultancy agency that is providing services to the following companies/persons or did so within two years before being appointed, or is an employee of a professional consultancy agency that is engaged in providing relevant services or did so during the same period:
 - 1. the Company, its holding companies or any of their respective subsidiaries or core connected persons;
 - 2. any person who was once the controlling shareholder of the Company within two years prior to the date of the proposed appointment of such person as an independent Director, or if the Company has no controlling shareholder, any person who was once a chief executive officer or Director of the Company (independent Director) or any of his/her close associates;

- (X) such person has or had substantial interests in any main business activities of the Company, its holding companies or any of their respective subsidiaries, or is involved or had involved in major commercial transactions with the Company, its holding companies or any of their respective subsidiaries, or with any core connected person of the Company, either currently or within one year prior to the date of the proposed appointment of such person as an independent Director;
- (XI) such person serves as a member of the Board of Directors in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;
- (XII) such person is, or once was (within two years prior to the date of the proposed appointment as an independent Director), connected with any Director, chief executive officer or substantial shareholder of the Company (as detailed in Hong Kong Listing Rules);
- (XIII) such person is (or once was within two years prior to the date of the proposed appointment as a Director) an executive officer (as defined in the Hong Kong Listing Rules) or a Director (other than an independent Director) of the Company, its holding companies or any of their respective subsidiaries or any core connected persons of the Company;
- (XIV) such person or his/her immediate family members is financially dependent on the Company, its controlling shareholder or any of their respective subsidiaries or the core connected persons of the Company; and
- (XV) Any factors that may affect his/her independence (including but not limited to the conditions set out in the Hong Kong Listing Rules).

When determining the Director's independence, the same factors should also apply to the Director's immediate family members (immediate family member refers to such person's spouse, such person (or his/her spouse's) child or step-child, natural or adopted, under the age of 18 years).

Independent Directors shall conduct an annual self-examination of independence and submit the self-examination to the Board of Directors. The Board of Directors shall evaluate and issue a special opinion on the independence of the incumbent independent Directors on an annual basis, which shall be disclosed together with the annual report (if necessary).

Article 129 An independent Director of the Company shall meet the following requirements:

- (I) having the qualifications as a director of listed companies in accordance with laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed and other relevant provisions;

- (II) having the independence as required by Article 128 of the Articles of Association and the listing rules of the stock exchange where the Company's shares are listed;
- (III) perform his/her duties independently, without being influenced by its substantial shareholders and de facto controller of the Company, or other entities or individuals who are interested in the Company;
- (IV) possessing basic knowledge of the operation of a listed company, and be familiar with relevant laws, regulations, normative documents and rules;
- (V) have at least five years of work experience in legal or economic field or other fields indispensable for performing the duties of independent Directors;
- (VI) having good personal morality, and no major breach of trust or other bad records;
- (VII) other conditions as provided by laws, administrative regulations, departmental rules, regulatory rules of the place where shares of the Company are listed, the Articles of Association and the working system for independent directors.

Article 130 As members of the Board of Directors, independent Directors assume loyalty and diligence obligations to the Company and all shareholders, and prudently fulfill the following duties:

- (I) participating in the decision-making of the Board of Directors and express a clear opinion on the matters under consideration;
- (II) supervising potential material conflicts of interest between the Company and its controlling shareholders, de facto controllers, Directors and senior management members, and protecting the legitimate rights and interests of minority shareholders;
- (III) providing professional and objective advice on the Company's operation and development, and promoting the enhancement of the Board of Directors' decision-making level;
- (IV) other duties prescribed by laws, administrative regulations, departmental rules, normative documents, regulatory rules of the place where shares of the Company are listed and the Articles of Association.

Article 131 Independent Directors exercise the following special functions and powers:

- (I) engaging an independent intermediary agency to audit, consult or verify the specific matters of the Company;
- (II) proposing to the Board of Directors to hold an Extraordinary General Meeting;
- (III) proposing to convene a Board meeting;
- (IV) soliciting shareholders' rights publicly from shareholders according to law;

- (V) expressing independent opinions on matters that may harm the rights and interests of the Company or minority shareholders;
- (VI) other functions and powers stipulated in laws, administrative regulations, departmental rules, normative documents and the Articles of Association.

When an independent Director exercises the functions and powers listed in Items (I) to (III) of the preceding paragraph, he or she shall obtain the consent of majority of all independent Directors.

If an independent Director exercises the functions and powers listed in Items (I), the Company will disclose in timely manners (if necessary). If above functions and powers cannot be exercised normally, the Company will disclose the details and reasons (if necessary).

Article 132 The following matters shall be submitted to the Board of Directors for consideration after being approved by majority of all independent Directors of the Company:

- (I) related transactions that shall be disclosed;
- (II) programs for the Company and related parties to change or waive their commitments;
- (III) decisions made and measures taken by the Board of Directors of the acquired listed company in response to the acquisition;
- (IV) other matters stipulated in laws, administrative regulations, departmental rules, normative documents and the Articles of Association.

Article 133 The Company establishes a special meeting mechanism attended by all independent Directors. If the Board of Directors considers related or connected transactions and other matters, it shall be approved in advance by a special meeting of independent Directors.

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

The special meeting of independent Directors is convened and presided over by an independent Director jointly elected by majority of the independent Directors; when the convener fails to perform his/her duties or is unable to perform his/her duties, two or more independent Directors may convene on their own and elect a representative to preside over the meeting.

The special meeting of independent Directors shall make minutes of the meeting according to the rules, and the opinions of independent Directors shall be stated in the minutes of the meeting. Independent Directors shall sign and confirm the minutes of the meeting.

The Company provides convenience and support for the holding of special meetings of independent Directors.

Section 4 Board Special Committees

Article 134 The Board of Directors of the Company has established special committees such as the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, the Strategy and Investment Committee, the Sustainability Committee. The special committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals shall be submitted to the Board of Directors for review and approval. All members of each special committee shall be composed of Directors, and the specific composition and qualification requirements shall refer to laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and working rules of relevant special committees. The Board of Directors shall be responsible for formulating the working rules of the special committees and regulating the operation of the special committees.

Article 135 The Board of Directors of the Company shall establish an Audit Committee to exercise the powers of the Supervisory Committee as stipulated in the Company Law.

Article 136 The Audit Committee comprises not less than 3 members, all of whom are non-executive Directors who are not senior management members of the Company and a majority of the independent non-executive Directors; at least one of whom is an independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise as required by Rule 3.10(2) of the Hong Kong Listing Rules; and the Audit Committee shall be chaired (convened) by an accounting professional among the independent non-executive Directors.

Article 137 The following matters shall be submitted to the Board of Directors for consideration after approval by more than half of all members of the Audit Committee:

- (I) to disclose the financial information in financial accounting reports and regular reports, along with internal control assessment reports;
- (II) to appoint or dismiss the accounting firm engaged for the Company's audit services;
- (III) to appoint or dismiss the chief finance officer of the Company;
- (IV) to make changes in accounting policies, accounting estimates or corrections of major accounting errors for reasons other than changes in accounting standards;

(V) other matters specified under laws, administrative regulations, departmental rules, normative documents, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 138 The Audit Committee shall meet at least quarterly. Extraordinary meetings may be convened upon the request of two or more members or when the convener deems it necessary. The quorum of an Audit Committee meeting shall be over two-thirds of the members.

Any resolution of the Audit Committee shall be made by a majority of all members of the Audit Committee.

Each member of the Audit Committee shall have one vote for a resolution to be voted by the Audit Committee. Minutes of Audit Committee resolutions shall be duly prepared in accordance with the requirements, and shall be signed by all Audit Committee members present at the meeting. The Audit Committee shall record its decisions on matters considered in written minutes of the meeting, which shall be retained as part of the Company's records for a period of ten years.

CHAPTER VI GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS

Article 139 The Company shall have one general manager, who shall be appointed or removed by the Board of Directors and shall have several deputy general manager who shall be appointed or removed by the Board of Directors.

The general manager, deputy general manager, chief financial officer, the secretary of the Board of Directors and other members designated by the Board of Directors shall be the senior management members of the Company.

Article 140 The senior management members shall shoulder the duties of loyalty and diligence to the Company, shall take measures to avoid any conflict of interest with the Company, shall not accept any undue benefits by taking advantage of his/her powers and position, and shall exercise the reasonable care normally expected of a manager in the best interests of the Company in the performance of their duties. The circumstances provided in Article 98 of the Articles of Association under which a person may not serve as a director shall also apply to senior management members. The provisions under Article 100 of the Articles of Association on Directors' duty of loyalty and under Article 101(IV) to (VI) on Directors' duty of diligence shall also apply to senior management members. The provisions under Article 104 of the Articles of Association on the management system for director resignations shall also apply to senior management members.

Article 141 Any person who takes position other than a Director in the Controlling Shareholders and de facto controller of the Company shall not serve as senior management members of the Company.

The Company's senior management members are only paid by the Company and are not paid by the controlling shareholders on behalf of the Company.

Article 142 The general manager shall serve for a term of three years, and may be reappointed upon the expiry of his/her term of office.

Article 143 The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

- (I) to be in charge of the Company's production, operation and management, organize the implementation of Board resolutions and report his/her work to the Board of Directors;
- (II) to organize the implementation of the Company's annual business plans and investment scheme;
- (III) to draft the plan for establishment of the Company's internal management organization;
- (IV) to draft the Company's basic management system;
- (V) to formulate the specific rules and regulations of the Company;
- (VI) to propose to the Board of Directors for appointment or dismissal of deputy general managers, chief financial officer and other senior management members of the Company;
- (VII) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;
- (VIII) other functions and powers granted by the Articles of Association or the Board of Directors.

The general manager is to attend Board meetings.

Article 144 The general manager shall formulate the working rules for the general manager and submit the same to the Board of Directors for approval before implementation.

Article 145 The working rules for the general manager shall contain the following details:

- (I) conditions for the convening of and the procedures for the general manager's meetings, and the attendees thereof;
- (II) specific duties and division of work of the general manager and other senior management;

(III) the authority to use the funds and assets and execute material contracts, and the system of reporting to the Board of Directors;

(IV) other matters as the Board of Directors considers necessary.

Article 146 The general manager may tender his/her resignation before the expiry of his/her term office. The specific procedures and measures regarding the resignation of the general manager shall be governed by the labor contract or service contract between the general manager and the Company.

Article 147 The appointment and dismissal of the deputy general managers shall be proposed by the general manager and the deputy general managers shall be appointed and dismissed by the Board of Directors. The deputy general managers shall provide assistance to the general manager.

Article 148 The Company shall have a secretary to the Board of Directors, who shall be responsible for the preparation of the general meetings and Board meetings of the Company, keeping of documents, management of shareholders' information of the Company and handling matters such as information disclosure.

The secretary of the Board of Directors shall comply with relevant provisions of laws, administrative regulations, departmental rules and the Articles of Association.

Article 149 Senior management members who violate the provisions of laws, administrative regulations, departmental rules, or the Articles of Association in performing their duties towards the company and thereby cause losses to the Company shall be liable for compensation.

If a senior management member, in the performance of his/her duties, causes damage to others, the Company shall be liable for compensation; the senior management member shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

Article 150 Senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If a senior management member of the Company fails to perform his/her duties faithfully or violates the honesty duty, thereby causing damage to the interests of the Company and the shareholders, he/she shall bear the liability of compensation in accordance with law.

CHAPTER VII FINANCIAL AND ACCOUNTING SYSTEMS, DISTRIBUTION OF PROFITS AND AUDIT

Section 1 Financial and Accounting Systems

Article 151 The Company shall establish the financial and accounting systems of the Company according to the laws, administrative regulations, and the provisions of the relevant state authorities. The Company shall, at the end of each accounting year, prepare a financial report, which shall be examined and verified according to law.

Article 152 The Board of Directors shall submit to the shareholders at each annual general meeting the financial reports prepared by the Company as required by relevant laws, administrative regulations and normative documents promulgated by the local governments and the competent authorities.

The financial reports in the preceding paragraph shall consist of a report of the Board of Directors together with a balance sheet (including such documents as required to be annexed by PRC or other laws and administrative regulations) and a profit and loss statement (income statement) or a statement of income and expenditure (cash flow statement), or, in the absence of any violation of the relevant laws of the PRC, a summarized report of the financial statements as approved by the Hong Kong Stock Exchange.

The financial reports of the Company shall be made available for inspection at the Company by shareholders 21 days prior to an annual general meeting. Each shareholder of the Company shall have the right to obtain the financial reports referred to in this Article.

Unless otherwise specified in the Articles of Association, the Company shall deliver or send to each shareholder of overseas listed foreign shares by prepaid mail at the address registered in the register of members the said reports, or the report of the Board of Directors, together with the balance sheet (including every document to be attached to the balance sheet as required by the law) and the statement of profit or loss or the statement of income and expense at least 21 days before the date of every annual general meeting. However, such documents may also be announced/delivered to shareholders of overseas listed foreign shares through the Company's website, the website of the Hong Kong Stock Exchange and other methods as may be provided by the regulatory rules of the place where the Company's shares are listed from time to time, provided that the laws, administrative regulations and requirements of the securities regulatory authority at the place where the shares of the Company are listed are observed.

Article 153 The financial statements of the Company shall be prepared not only in accordance with China's accounting standards, laws and regulations but also in accordance with international accounting standards or those of the place where shares of the Company are listed. If there are any major differences in the financial statements prepared in accordance with these two sets of accounting standards, such differences

shall be stated in notes appended to such financial statements. For purposes of the Company's distribution of after tax profits in a given accounting year, the smaller amount of after-tax profits shown in the above mentioned two kinds of financial statements shall apply.

The interim results or financial statements published or disclosed by the Company shall be prepared not only in accordance with China's accounting standards, laws and regulations but also in accordance with international accounting standards or those of the place where shares of the Company are listed.

Article 154 The Company shall not set up any other accounting books except for the legal accounting books. The Company's capital shall not be deposited into an account established in the name of any individual.

Article 155 The Company shall, when distributing the post-tax profit for the year, withdraw 10% of the profit to be included in the statutory reserve fund of the Company. The Company may not withdraw the statutory reserve fund if the cumulative amount has exceeded 50% of the Company's registered capital.

Where the statutory reserve fund of the Company is not sufficient to make up its losses in the previous years, the profits of the current year shall be used to make up the loss before the withdrawing the statutory reserve fund according to the provisions under the previous paragraph.

After withdrawing the statutory reserve fund out of the post-tax profit, the Company may, subject to the resolution of the general meeting, withdraw the discretionary reserve fund out of the post-tax profit.

The post-tax profit left after the loss recovery and withdrawal of the reserves by the Company shall be distributed in proportion according to the shareholding proportions of the shareholders.

If the Company breaches the provisions under the previous paragraph by distributing the profit to the shareholders, the shareholders shall return to the Company the profit distributed in violation of the provisions. Shareholders and the responsible directors and senior management members shall be liable for compensation for any losses caused to the Company.

Article 156 The Company's shares held by the Company shall not participate in the profit distribution. The reserves of the Company are used to offset the losses of the Company, expand production and operation or bolster registered capital of the Company.

The discretionary reserve fund and statutory reserve fund shall be used first to make up the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations.

The capital reserve fund consists of the following:

- (I) the premium from the issuance of shares in excess of their face value;
- (II) other income to be included in the capital reserve fund as stipulated by the competent financial department of the State Council.

When the statutory reserve fund is converted to additional registered capital, the amount of such reserve fund retained shall be no less than 25% of the registered capital of the Company prior to the conversion.

Article 157 After the general meeting of the Company passes a resolution on the profit distribution plan, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within two months after the meeting.

Article 158 The Company shall proactively implement a profit distribution policy and in accordance with the principle that the same shares shall be entitled to the same dividend, at the end of each fiscal year, the Board of Directors of the Company shall propose a profit distribution plan and a loss recovery plan based on the operating results of the current year and the future production and operation plan, which shall be implemented after being considered and approved by the general meeting.

(I) Profit distribution principle

The Company implements a proactive profit distribution policy that emphasizes reasonable investment returns to investors and takes into account the sustainable development of the Company, and the profit distribution policy shall maintain continuity and stability. The Company may distribute profits in the form of cash, shares or a combination of cash and shares, and profit distribution shall not exceed the scope of accumulated distributable profits and shall not jeopardize the Company's ability to continue operations.

(II) Decision-making Procedures and Mechanism of Profit Distribution

1. The annual profit distribution proposal of the Company shall be formulated by the Board of Directors taking into account the Company's profitability, supply and demand of funds. When considering the specific plan for cash dividends, the Board of Directors shall carefully study and justify the timing, conditions and minimum ratio of cash dividends, as well as the conditions for adjustments and the requirements of its decision making procedures, etc. The proposal shall be submitted to the general meeting for deliberation after it has been approved by the Board of Directors.
2. If the Board of Directors formulates a proposal not to implement profit distribution or to implement a profit distribution plan that does not include cash distribution, it shall disclose the reasons for not implementing profit distribution or implementing a profit distribution plan that does not include

cash distribution in its regular report. The Company's undistributed profits for the year will be used to meet the needs of the Company's normal production and operation and long-term development.

(III) Profit Distribution Policy of the Company

1. Distribution principle: The Company implements a proactive profit distribution policy that emphasizes reasonable investment returns to shareholders and takes into account the sustainable development of the Company, and the profit distribution policy shall maintain continuity and stability.
2. Distribution manner: The Company may distribute profits in the form of cash, shares or a combination of cash and shares, with cash dividends being given priority over share dividends where the conditions for cash dividends are met.
3. Dividend distribution cycle: In principle, the Company shall make profit distribution at least once a year. The Board of Directors of the Company may propose interim profit distribution and special profit distribution based on the Company's profitability and capital requirements and submit them to the general meeting of the Company for approval.
4. Conditions for cash dividends: The Company shall pay cash dividends if the Company made a profit in the previous fiscal year and the cumulative distributable profit is positive, provided that the Company meets the capital requirements for normal production and operation.

The Company shall appoint one or more collecting agents in Hong Kong for the purpose of receiving dividends declared by, and other monies payable to, the Company in respect of their securities listed on the Hong Kong Stock Exchange. The agents shall hold such monies in trust for the holders of such securities to pay to such holders.

If stock dividends are used for profit distribution, the Board of Directors of the Company shall specify the reasonable factors for profit distribution in the form of stock dividend.

- (IV) The profit distribution policy of the Company shall remain consistent and stable. If the Company needs to adjust its profit distribution policy due to significant changes in external operating environment or its own operation, for the purpose of protecting the rights and interests of the shareholders, and it shall be studied and proved by the Board of Directors and the audit committee of the Company and propose a proposal at the general meeting that discuss and explain the reasons in details by combing industry competition, financial condition of the Company, capital requirements and planning of the Company, etc. The proposal of adjusting profit distribution policy shall be proposed to the general meeting of the Company for approval after consideration at the Board of Directors and the audit committee of the Company.

The audit committee shall oversee the implementation of the Company's profit distribution policy by the Board of Directors and management, as well as the related decision-making processes. Furthermore, the adjusted profit distribution policy shall not contravene the relevant requirements under the CSRC and the stock exchanges where the Company are listed.

- (V) If there is any misappropriation of the Company's capital by any shareholder of the Company, the Company shall deduct the cash dividends allocated to such shareholder in order to repay the amount of misappropriated capital.

Section 2 Internal Audit

Article 159 The Company implements an internal audit system, which specifies the leadership system, responsibilities and authorities, staffing, funding security, use of audit results, and accountability in relation to internal audit work. The internal audit system of the Company shall be implemented upon approval by the Board of Directors and disclosed to the public.

Article 160 The internal audit system of the Company and the duties of the auditing staff shall be subject to the approval of the Board of Directors. The officer in charge of audit shall be accountable to and report his/her work to the Board of Directors. The internal audit agency shall be subject to the supervision and guidance of the audit committee in the course of its supervising and inspecting the Company's business activities, risk management, internal control and financial information. The internal audit agency shall immediately report directly to the audit committee upon discovering any relevant major issues or leads.

Article 161 The internal audit agency 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 and related information issued by the internal audit agency and reviewed by the audit committee.

Article 162 When the audit committee communicates with external audit units such as accounting firms and national audit agencies, the internal audit agency shall proactively cooperate with them and provide necessary support and collaboration.

Article 163 The audit committee shall participate in the appraisal of the person in charge of internal audit.

Section 3 Appointment of Accounting Firm

Article 164 The Company employs an independent accounting firm that complies with relevant national regulations and regulatory provisions of the place where the shares of the Company are listed to conduct accounting statement auditing, net asset verification

and other related consulting services. The term of appointment shall be one year commencing from the conclusion of the current annual general meeting and ending at the conclusion of the next annual general meeting, and shall be renewable.

Article 165 The Company's employment and dismissal of accounting firms that provide regular auditing services to the Company must be decided by the general meeting, and the Board of Directors shall not appoint accounting firms before the decision of the general meeting.

If the position of accounting firm becomes vacant, the Board of Directors may temporarily appoint an accounting firm to fill such vacancy before a general meeting is held, and determine its remuneration as authorized by the general meeting. The tenure of office of the accounting firm appointed by the Board of Directors in a pro tempore manner will end on the date of the forthcoming annual general meeting, except as ratified, re-appointed or re-elected by the general meeting. If there are other accounting firms holding the position as an accounting firm of the Company while such vacancy still exists, such accounting firms may continue to act.

Article 166 The Company shall guarantee to provide the accounting firm it employs with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials, and shall not refuse, conceal or make false statements.

Article 167 The audit fees of the accounting firm shall be decided by the general meeting.

Article 168 When the Company dismisses or does not renew the appointment of the accounting firm, it shall give a 30-day prior notice to the accounting firm, and the accounting firm shall be allowed to make its representation at the general meeting where a voting process concerning the dismissal of the accounting firm is carried out.

Where the accounting firm tenders its resignation, it shall state at a general meeting whether the Company has any irregularities.

If laws, administrative regulations, departmental rules, normative documents and relevant stock exchanges or regulatory authorities in the place where the shares of the Company are listed stipulate otherwise, such provisions shall prevail.

CHAPTER VIII NOTICE AND ANNOUNCEMENT

Section 1 Notice

Article 169 Notices of the Company (including Corporate Communications (as defined in the Hong Kong Listing Rules)) shall be served by the following methods:

(I) by hands;

- (II) by post;
- (III) by fax, email, text message and other channels that physically deliver information;
- (IV) by announcement (including announcements published on the designated website and website of the Company in the form required by the stock exchange of the place where the shares of the Company are listed);
- (V) by other methods stipulated in laws, administrative regulations, departmental rules and the Articles of Association and required by the rules of regulatory authorities of the place where the shares of the Company are listed.

Article 170 Subject to the laws, administrative regulations, listing rules of the stock exchange of the place where the shares of the Company are listed and the Articles of Association, notices sent by way of public announcement by the Company shall be deemed to have been received by all relevant parties after the publication of such announcement.

Article 171 A notice of convening general meetings of the Company shall be served by way of an announcement. Announcement shall be published on media designated by the laws, administrative regulations, departmental rules, the listing rules of the stock exchange of the place where the shares of the Company are listed for information disclosure.

Article 172 The notice of convening Board meetings shall be delivered to all Directors by telephone, fax, email or other means permitted by laws, regulations and the regulatory rules of the place where the shares of the Company are listed.

Article 173 For the notice of the Company delivered by hand, the recipient shall sign (or chop) on the reply slip upon delivery and the receipt date of the recipient shall be the date of delivery. For the notice delivered by post, the delivery date shall be the 10th business days after the mail has been handed to the post office. For the notice served by way of announcement, the delivery date shall be the first publication date of the announcement. For the notice served by telephone or fax, the date indicated on the fax receipt shall be the delivery date. For the notice delivered by email, the date of sending the email shall be deemed as the date of delivery, but the Company shall notify the addressee by telephone on the date of sending and keep sending record. For the notice delivered by text message, the date of sending the text message shall be deemed as the date of delivery, but the Company shall notify the addressee by telephone on the date of sending and keep sending record.

Article 174 The accidental omission to give the notice of a meeting to, or the failure to receive the notice of a meeting by any person entitled to receive such notice, shall not invalidate the meeting or the resolutions passed thereat.

Article 175 Where the relevant regulations of the securities regulatory authority of the place where the shares of the Company are listed require the Company to deliver, dispatch, distribute, issue, publish or otherwise provide the relevant documents of the Company in both English and Chinese versions, the Company may (as indicated by the shareholders) deliver either English text or the Chinese text to the relevant shareholders if the Company has made appropriate arrangements to determine whether its shareholders wish to receive the English text or the Chinese text only, and to the extent permitted by and in accordance with the applicable laws, regulations and the regulatory rules of the place where the shares of the Company are listed.

Article 176 The Company shall issue announcements and disclose information to domestic shareholders through newspapers and websites designated by laws, administrative regulations or relevant domestic regulatory authorities for information disclosure. If an announcement is required to be delivered to the holders of H Shares under the Articles of Association, such announcement shall also be published in the designated newspapers, websites and/or websites of the Company in the form as required by the regulatory rules of the place where the shares of the Company are listed. All notices or other documents which shall be submitted by the Company to be the Hong Kong Stock Exchange under the regulatory rules of the place where the shares of the Company are listed shall be in the English or accompanied by an English translation thereof.

Section 2 Announcement

Article 177 The Company shall regard the media and websites designated by the CSRC and the stock exchange of the place where the shares of the Company are listed for information disclosure as its media for publishing corporate announcement and other disclosable information. Before publishing any information on the designated newspaper and websites, no information shall be disclosed by the Company in other public media. No press release or reply to inquiries raised by journalists shall be in lieu of publishing corporate announcement.

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

Section 1 Merger, Division, Capital Increase and Reduction

Article 178 A merger of a company may take the form of an absorption merger or a consolidation merger.

When a company absorbs other companies, it is an absorption merger, and the absorbed company shall be dissolved. When two or more companies merge to establish a new company, it is a consolidation merger, and all parties to the merger shall be dissolved.

Article 179 In the case of a merger, all parties to the merger shall execute a merger agreement and shall prepare the balance sheets and inventory of assets. The Company shall notify its creditors within 10 days since the date of adoption of the merger resolution and publish an announcement about the merger in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days.

Creditors shall, within 30 days since the date of receiving the notice, or creditors who do not receive the notice shall, within 45 days since the date of the public announcement, be entitled to require the Company to settle its debts in full or to provide a corresponding guarantee.

Article 180 Where the Company merges with a company in which it holds more than 90% of the shares, the merged company is not subject to the approval of the general meeting but shall notify other shareholders of the merger. Such shareholders shall have the right to request the Company to purchase their equity or shares at a reasonable price.

Where the consideration for the merger payable by the Company does not exceed 10% of the net assets of the Company, the merger is not subject to the approval of general meeting.

Any merger of the Company not subject to the approval of general meeting under the preceding two paragraphs shall be subject to the approval of the Board of Directors.

Article 181 When the company is merged, the claims and debts of the merging parties shall be assumed by the company in existence or the newly established company after the merger.

Article 182 If the Company is divided, its property shall be divided accordingly.

In the case of a division, a balance sheet and a schedule of properties shall be prepared. The Company shall notify its creditors within 10 days since the date of adoption of the division resolution and publish an announcement about the division in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days.

Article 183 Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division jointly and severally, except as otherwise stated in the written agreement entered into between creditors and the Company for debt settlement prior to the division.

Article 184 In case of a reduction in the Company's registered capital, the Company will prepare a balance sheet and a schedule of properties.

The Company notifies its creditors within 10 days since the date the general meeting makes a resolution to reduce the registered capital, and shall publish an announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days. Creditors shall, within 30 days since the date of receiving the notice, or creditors

who do not receive the notice shall, within 45 days since the date of the announcement, be entitled to require the Company to settle its debts in full or to provide a corresponding guarantee.

When the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the capital contribution or shares held by shareholders, unless otherwise provided by the law or the Articles of Association. Except in the case where different proposals regarding the method of reducing the registered capital are put forward in the general meeting resolution of the Company and are passed. In such a case, the method of reducing the registered capital of the Company shall be subject to the content of the resolution passed at the general meeting.

The registered capital of the Company following the reduction shall not fall below the minimum statutory requirement.

Article 185 Where the Company still incurs losses after making up its losses in accordance with Paragraph 2 of Article 156 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not make distribution to its shareholders, nor exempt the shareholders from their obligation to make capital contribution or calls on share.

The provisions of the Paragraph 2 of Article 184 of the Articles of Association shall not apply to the reduction in the registered capital in accordance with the preceding paragraph. The Company shall publish an announcement in the newspaper or National Enterprise Credit Information Publicity System within 30 days from the date of the resolution on the reduction of its registered capital at general meeting.

After reducing its registered capital in accordance with the provisions of the preceding two paragraphs, the Company shall not distribute profits until the cumulative amount of its statutory reserve fund and discretionary reserve fund reaches 50% of its registered capital.

Article 186 If the reduction of the registered capital is in violation of the laws, regulations or the relevant provisions of the Articles of Association, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the liable Directors and senior management shall be liable for compensation.

Article 187 Where the merger or division of the Company involves a change in registered particulars, such change shall be registered with the company registration authorities in accordance with the law. Where the Company is dissolved, it shall cancel its registration in accordance with the law. Where a new company is established, its establishment shall be registered in accordance with the law.

Where a company increases or decreases its registered capital, it shall, in accordance with the law, register the change of registration with the company registration authority.

Section 2 Dissolution and Liquidation

Article 188 The Company shall be dissolved if:

- (I) the business term specified in the Articles of Association expires or other dissolution reasons as stipulated in the Articles of Association arise;
- (II) the general meeting resolves to dissolve;
- (III) dissolution is required due to merger or division of the Company;
- (IV) its business license is revoked or it is ordered to shut down or revoked according to the law;
- (V) the people's court dissolves it in accordance with Article 231 of the Company Law.

On the occurrence of the events of dissolution set out in the preceding paragraph, the Company shall make an announcement on the National Enterprise Credit Information Publicity System within 10 days.

Article 189 For the circumstance in item (I) and (II) of paragraph 1 of Article 188 under the Articles of Association, and no property has been distributed to shareholders, the Company may continue to subsist by amending the Articles of Association or by resolution of the general meeting.

Amendments to the Articles of Association in accordance with the provisions of the preceding paragraph or by resolution of the general meeting shall be approved by more than two-thirds of the voting rights held by the shareholders attending the general meeting.

Article 190 If the Company is dissolved pursuant to item (I), (II), (IV) or (V) of paragraph 1 of Article 188 under the Articles of Association, it shall be liquidated. The Directors, being the liquidation obligors of the Company shall establish a liquidation committee to conduct the liquidation within 15 days from the date the cause for dissolution arises. The liquidation committee shall be composed of Directors or persons determined by the general meeting. If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall bear the liability for compensation.

If the Company fails to establish a liquidation committee to carry out liquidation after the expiry of the time limit or fails to carry out liquidation after establishing the liquidation committee, the interested parties can apply to the people's court for appointing relevant personnel to establish the liquidation committee to carry out the liquidation.

Article 191 The liquidation committee shall perform the following duties during the liquidation period:

- (I) to clean up the assets of the Company and prepare a balance sheet and an inventory of assets separately;
- (II) to notify the creditors by notice or announcement;
- (III) to deal with the outstanding liquidation-related business of the Company;
- (IV) to pay off outstanding taxes as well as taxes arising in the course of liquidation;
- (V) to settle claims and debts;
- (VI) to allocate the remaining assets of the Company after the settlement of debts;
- (VII) to represent the Company in any civil proceedings.

Article 192 The liquidation committee shall notify the creditors within 10 days from the date of its establishment and make an announcement within 60 days in the designated newspapers or on the National Enterprise Credit Information Publicity System and in the manner required by the stock exchange where the Company's shares are listed. Creditors shall, within 30 days from the date of receiving the notice, or for creditors who do not receive the notice, within 45 days from the date of the announcement, report their creditors' rights to the liquidation committee.

When reporting creditors' rights, the creditors shall provide an explanation of matters relevant to the creditor's rights and provide the supporting evidence. The liquidation committee shall register the creditors' rights.

In the course of reporting the creditors' rights, the liquidation committee shall not repay the creditors.

Article 193 After the liquidation committee has thoroughly examined the Company's assets and prepared a balance sheet and schedule of properties, it shall formulate the liquidation plan and submit such plan to the general meeting or the people's court for confirmation.

The remaining property of the Company after paying the liquidation expenses, wages owed to employees, labor insurance fees and statutory compensation, outstanding taxes and debts of the Company shall be distributed in the class and proportion to the number of shares held by shareholders.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to the liquidation.

The property of the Company shall be not distributed to shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

Article 194 If the liquidation committee, having thoroughly examined the Company's property and prepared a balance sheet and schedule of properties, discovers that the Company's property is insufficient to pay its debts in full, it shall legally apply to the people's court for a bankruptcy liquidation.

After the people's court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court. Upon completion of the liquidation of the Company, the liquidation committee shall produce a liquidation report and submit it to the general meeting or the people's court for confirmation. Within 30 days from the date of confirmation of the above-mentioned reports by the general meeting or the people's court, the liquidation committee shall deliver the same to the company registration authority, apply for cancellation of the Company's registration.

Article 195 Members of the liquidation committee shall discharge their liquidation duties and they owe duties of loyalty and diligence.

Members of the liquidation committee shall not abuse their authority by accepting bribes or other illegal income and shall not misappropriate the properties of the Company.

If a member of the liquidation team neglects to perform the liquidation duties and causes losses to the Company, he/she shall be liable for compensation; if a member of the liquidation committee causes losses to creditors due to intentional or gross negligence, he/she shall be liable for compensation.

Article 196 Where the Company does not incur any debt or has repaid all debts during its existence, the Company may be deregistered through summary procedures with the commitment of all shareholders.

Deregistration of the Company through the summary procedure shall be announced through the National Enterprise Credit Information Publicity System for a period of not less than 20 days. If there is no objection after the expiration of the announcement period, the Company may apply to the company registration authority for deregistration within 20 days.

Where the Company is deregistered through the summary procedures, and the shareholders make false undertakings as to the contents stipulated in the first paragraph of this article, they shall be jointly and severally liable for the debts incurred before the deregistration.

Article 197 In case the Company is declared to be insolvent according to the laws, bankruptcy liquidation shall be processed in accordance with the relevant laws on corporate bankruptcy.

CHAPTER X AMENDMENTS TO ARTICLES OF ASSOCIATION

Article 198 The Company shall amend the Articles of Association under any of the following circumstances:

- (I) after the amendments are made to the Company Law or relevant laws, administrative regulations and regulatory rules of the place where the shares of the Company are listed, the provisions of the Articles of Association are in conflict with the amended laws or administrative regulations;
- (II) there is a change in the situation of the Company, which is inconsistent with the matters recorded in the Articles of Association;
- (III) the general meeting decides to amend the Articles of Association.

Article 199 The amendments to the Articles of Association adopted by the general meeting shall be submitted to the competent authorities for approval if they are subject to approval by the competent authorities. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes in accordance with the laws.

Article 200 The Board of Directors shall amend the Articles of Association in accordance with the resolution of the general meeting on the amendments to the Articles of Association and the approval opinions of relevant competent authorities.

Article 201 The amendment to the Articles of Association constitutes to the information required to be disclosed by the laws and regulations and shall be announced in accordance with regulations.

CHAPTER XI SUPPLEMENTARY PROVISIONS

Article 202 Definitions

- (I) the “controlling shareholder(s)” refers to (1) shareholder(s) or any other person (a person or a group of persons) who is entitled to exercise or control the exercise of 30% (or such other percentage as may be prescribed from time to time by the applicable PRC laws, being the percentage that triggers a mandatory public offer or is required to have legal or managerial control over an enterprise) or more of the voting rights at the general meeting; or (2) shareholder(s) or any other person (a person or a group of persons) have the power to control the composition of the majority of the Board of Directors of the Company.
- (II) the “actual controller” refers the person who entitled to exert effective control over the action of the Company through investment relationships, agreements or other arrangements.

- (III) the “related (connected) person(s)”, the “related (connected) relationship” and “related (connected) transaction(s)” shall have the meaning ascribed to it under the Hong Kong Listing Rules.
- (IV) the term “accounting firm” in the Articles of Association has the same meaning as “auditor” under the Hong Kong Listing Rules, and the term “independent Director” has the same meaning as “independent non-executive Director” under the Hong Kong Listing Rules.

Article 203 The Board of Directors 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 204 The Articles of Association are prepared in Chinese. In case of any inconsistency between the Chinese version and other translations or versions of the Articles of Association, the Chinese version approved and registered with the administration for market regulation of the place where the Company is located shall prevail.

Article 205 The term “or above” and “within”, as stated in the Articles of Association shall include the number or amount itself; the term “not more than”, “beyond”, “less than”, “more than” and “exceeding” shall exclude the number or amount itself. The amount stated in the Articles of Association shall be denominated in RMB.

Article 206 The Company’s Board of Directors shall be responsible for the interpretation of the Articles of Association.

Article 207 The annexes hereof include the rules of procedure for the general meeting and the rules of procedure for Board meetings.

Article 208 Matters not covered in the Articles of Association shall be dealt with in accordance with the laws, administrative regulations and the relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed based on the actual situation of the Company. In case the Articles of Association conflicts with the laws, administrative regulations, other relevant normative documents and the listing rules of the stock exchange of the place where the shares of the Company are listed promulgated from time to time, those laws, administrative regulations and other relevant normative documents and listing rules of the stock exchange of the place where the shares of the Company are listed shall prevail.

Article 209 The Articles of Association, having been approved by special resolution of the general meeting of the Company, shall come into force and effect from the date of the initial public offering and listing of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited. The original articles of association of the Company shall automatically become void from the effective date of the Articles of Association.

Jiangxi Institute of Biological Products Inc.