



河北建設集團股份有限公司

HEBEI CONSTRUCTION GROUP CORPORATION LIMITED

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

(Stock Code: 1727)

ARTICLES OF ASSOCIATION

Amended by the 2025 annual general meeting on 29 June 2026

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CHAPTER 1. GENERAL PROVISIONS

Article 1 These Articles of Association have been formulated in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China (the "**Securities Law**"), the Guidelines for the Articles of Association of Listed Companies (the "**AOA Guidelines**"), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**SEHK Listing Rules**") and other relevant requirements in order to protect the lawful rights and interests of Hebei Construction Group Corporation Limited (the "**Company**") and its shareholders, employees and creditors, and regulate the organization and acts of the Company.

Article 2 The Company is a joint stock limited company reorganized and established by way of promotion by Zhongru Investment Co., Ltd. and Qianbao Investment Co., Ltd. in accordance with the Company Law, the Securities Law and other relevant laws of the People's Republic of China (the "**PRC**", which, for the purposes of these Articles of Association, does not include the Hong Kong Special Administrative Region, the Macao Special Administrative Region or Taiwan). The Company was registered with Baoding Administration for Industry and Commerce on April 7, 2017, and obtained a business license. The unified social credit code is 911306007006711044.

Article 3 The Company's registered name:

Full name in Chinese: 河北建設集團股份有限公司

Chinese abbreviation: 河北建設

Full name in English: Hebei Construction Group Corporation Limited

English abbreviation: HEBEI CONS

Article 4 The Company's domicile: 125 Lugang Road, Jingxiu District, Baoding

Postal code: 071023

Telephone number: 0312-3311000

Facsimile number: 0312-3019434

Article 5 The legal representative of the Company shall be the director or manager who carries out the affairs of the Company on behalf of the Company.

If a director or manager, who is the legal representative, resigns, he/she is deemed to have resigned as the legal representative at the same time.

If the legal representative resigns, the Company will determine a new legal representative within thirty days from the date of the legal representative's resignation.

Article 6 Legal representative engages in civil activities in the name of the Company, the legal consequences of which are borne by the Company. Restrictions on the powers and duties of the legal representative imposed by these Articles of Association or by the shareholders' general meetings shall not be invoked against a bona fide counterparty.

If a legal representative causes damage to another person as a result of the performance of his/her duties, the Company shall bear the civil liability. After the Company has assumed a civil liability, it may, in accordance with the law or the provisions of these Articles of Association, recover the liability from the legal representative who is at fault.

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

Article 8 These Articles of Association shall come into force on the date of consideration and approval by the shareholders' general meetings of the Company and replace the Articles of Association which have been formerly registered and filed with the Administration for Industry and Commerce.

These Articles of Association shall become legally binding documents that regulate the organization and acts of the Company and the rights and obligations between the Company and the shareholders and between shareholders interest from the date on which they become effective.

Article 9 The Articles of Association shall be binding on the Company and its shareholders, directors and senior management members of the Company, all of whom shall be entitled to, according to the Articles of Association, make claims in respect of rights concerning the matters of the Company.

Shareholders may sue shareholders; shareholders may sue directors and other senior management members of the Company; shareholders may sue the Company; and the Company may sue shareholders, directors and other senior management members in accordance with these Articles of Association.

For the purposes of the preceding paragraph, the term "sue" shall include the institution of proceedings in a court or the application to an arbitration institution for arbitration.

Article 10 For the purposes of these Articles of Association, the term "senior management members" means the Company's president, vice president, chief accountant, head of Financial Management Department and secretary to the board of directors and other personnel that the board of directors may engage expressly as senior management members of the Company.

Article 11 Shareholders shall be liable to the Company to the extent of the shares they subscribed for. The Company shall be liable for its debts to the extent of all of its properties.

Article 12 The Company establishes Communist Party organizations and carries out Party activities in accordance with the provisions of the Constitution of the Communist Party of China. The Company provides necessary conditions for the activities of Party organizations.

CHAPTER 2. PURPOSE AND SCOPE OF BUSINESS

Article 13 The purposes of business of the Company are to “create space with love”, to deliver stable return and space for development to shareholders, to provide creative and satisfying construction and cultural space to customers, to create happy workplace, living space and growth opportunities to employees to achieve win-win results with and gain trust from suppliers, and to promote harmonious and green development for social well-being.

Article 14 The scope of business of the Company shall be that approved by the Baoding Municipal Administration for Industry and Commerce and shall include: construction of general contracting business and project management and related skills and management services; construction design, feasibility study and technical consultancy service; construction and technical consultancy; building construction, municipal and public construction, electrical and mechanical installation, road construction, railway construction, port and waterways construction, water resources and hydropower construction, subgrade and pavement construction, steel structure construction, airport runway construction, pipeline construction, earthwork construction, renovation and decoration construction, foundation construction, bridge construction, tunnel construction, lifting equipment installation construction, landscape and greening construction, fire safety equipment engineering, curtain wall construction and environmental engineering construction; sales, leasing and maintenance of construction materials, decoration materials, reusable materials, construction machine and equipment; undertaking of overseas engineering projects appropriate for its capabilities, scale and results performance; dispatch of work force to overseas (excluding seaman) (the business qualification certificate for operating overseas labor service cooperation business will be valid until 21 July 2020); civil defence construction, decoration construction, curtain wall construction, light steel structure construction, intelligent construction system, design of lighting engineering and fire safety equipment engineering; to conduct itself or act as an agent for the import and export of products except those exported under the unified joint operations organised by the State and those imported by companies approved by the PRC government; land formation; the design of pressure containers; manufacture of pre-stressed concrete steel cylinder pipe; manufacture and sales of ready mixed concrete products; manufacture of precast concrete structure and manufacture of metal structure (operated by subsidiaries only) (for businesses that require approval by laws, they may only be commenced after obtaining approval from the relevant authorities).

The Company may change its scope of business based on its own development needs in accordance with laws.

CHAPTER 3. SHARES AND REGISTERED CAPITAL

Article 15 All the shares issued by the Company are ordinary shares. The Company may create other classes of shares according to its needs, upon approval by the authorities that are authorized by the State Council. The shares of the Company shall take the form of share certificates.

Article 16 Par value shares issued by the Company shall be denominated in Renminbi. For the purposes of the preceding paragraph, “RMB” or “Renminbi” refers to the legal currency of the PRC.

Article 17 The shares of the Company shall be issued in accordance with the principles of openness, equitability and fairness. Each share of the same class shall carry the same rights.

Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares it/he/she subscribes for.

Article 18 Shares issued by the Company to domestic investors to be subscribed for in Renminbi are referred to as “domestic investment shares”. Shares issued by the Company to overseas investors to be subscribed for in foreign currency are referred to as “foreign investment shares”. Foreign investment shares which are listed outside the PRC are referred to as “overseas listed foreign investment shares”.

For the purposes of the preceding paragraph, the term “foreign currency” means the legal currency of other countries or regions (other than the Renminbi) that can be used to pay the subscription monies to the Company and which is recognized by the competent state foreign exchange administration authority. The overseas investors referred to in the preceding paragraph are foreign investors who subscribe for the shares issued by the Company and investors from Hong Kong, Macau and Taiwan. Domestic investors refer to investors in the mainland PRC other than those in the aforementioned regions who subscribe for the shares issued by the Company.

Overseas listed foreign investment shares of the Company that are listed in Hong Kong are referred to as “H Shares”. H Shares are shares which have been admitted for listing on the SEHK with a par value denominated in RMB and are subscribed for and traded in Hong Kong dollars.

Article 19 The domestic investment shares issued by the Company shall be collectively deposited with China Securities Depository and Clearing Corporation Limited. The overseas listed foreign investment shares issued by the Company in Hong Kong are mainly deposited at securities registration and settlement companies in Hong Kong and may also be held in the name of individual shareholders.

Article 20 At the time of incorporation, the Company issued a total of 1,300,000,000 ordinary shares at a par value of RMB1 per share to the promoters, of which, Zhongru Investment Co., Ltd. subscribed for and held 1,202,500,000 shares, representing 92.5% of total ordinary shares in issue, and Qianbao Investment Co., Ltd. subscribed for and held 97,500,000 shares, representing 7.5% of total ordinary shares in issue.

Article 21 As approved by the China Securities Regulatory Commission (the “CSRC”), the Company conducted the initial public offering of 461,383,500 overseas listed foreign investment ordinary shares to overseas investors (including 28,049,500 shares that are over-allotted). Such ordinary shares are all H Shares.

Upon completion of the issue of the above overseas listed foreign investment shares, the share capital structure of the Company shall comprise 1,761,383,500 ordinary shares, of which, Zhongru Investment Co., Ltd., which is the promoter, will hold 1,202,500,000 shares, representing 68.27% of the total ordinary share capital; Qianbao Investment Co., Ltd., which is the promoter, will hold 97,500,000 shares, representing 5.54% of the total ordinary share capital, and H shareholders will hold 461,383,500 shares, representing 26.19% of the total ordinary share capital.

Article 22 The Company or the Company’s subsidiaries (including the Company’s subsidiary enterprises) shall not provide financial assistance in the form of gifts, advances, guarantees, or loans for the acquisition of the Company’s or its parent company’s shares by another person, except for the implementation of the Company’s employee stock ownership plan.

Article 23 Shares of the Company shall be transferred in accordance with laws.

Article 24 The Company shall not accept its own shares as the subject matter of a pledge.

Article 25 Shares in issue prior to the public offering of the Company shall not be transferred within one year from the date of their listing on any stock exchange.

The directors and senior management members of the Company shall report to the Company the shares of the Company that they hold and the changes in their shareholdings. During his or her term of service determined at the time of assumption of office, he or she may not transfer more than 25% of his or her total holding of the Company's same class of shares each year; holding of the Company's shares may not be transferred within a year from the date of their listing. Any of them may not transfer the Company's shares he or she holds within 6 months after his or her resignation from the Company. The transfer restriction on H shares shall also be subject to the relevant requirements of the SEHK Listing Rules of and other applicable laws and regulations.

Article 26 If a director or senior management members of the Company, or a holder of at least 5 percent of the shares of the Company, sells the shares of the Company that he or she holds within six months after acquiring the same, or buys such shares back within six months after selling the same, the gains obtained therefrom shall belong to the Company and the board of directors of the Company shall recover such gains from him or her. The transfer restriction on H shares shall also be subject to the relevant requirements of the SEHK Listing Rules of and other applicable laws and regulations. However, except for the case where a securities company that underwrote shares on a firm commitment basis and which, after purchasing the shares remaining after the sale, holds at least 5 percent of the shares and other circumstances as stipulated by the CSRC.

Shares or other securities of an equity nature held by directors, senior management or shareholders who are natural persons as referred to in the preceding paragraph shall include shares or other securities of an equity nature held by their spouses, parents or children and those held by them through the use of the accounts of others.

If the board of directors of the Company fails to act in accordance with the first paragraph of this article, shareholders shall have the right to demand that the board of directors act within 30 days. If the board of directors of the Company fails to act within such time period, shareholders shall have the right, in the interests of the Company, to directly institute a legal action in a court in their own name.

If the board of directors of the Company fails to act in accordance with the first paragraph of this article, the responsible directors shall be jointly liable in accordance with the law.

CHAPTER 4. INCREASE AND REDUCTION OF CAPITAL AND BUYBACK OF SHARES

Article 27 Based on its business and development requirements, the Company may increase its capital in accordance with the laws and subject to relevant requirements of these Articles of Association, by any of the following methods:

- (I) offering of shares to unspecified parties;
- (II) offering of shares to specific parties;
- (III) allotment of new shares to existing shareholders;
- (IV) conversion of capital reserve to share capital; or
- (V) other methods prescribed by laws and administrative regulations or by the CSRC.

If the Company is to increase its capital by an offering of new shares, it shall do so by the procedure provided for in relevant state laws and regulations after such increase has been approved in accordance with these Articles of Association.

Article 28 The Company may reduce its registered capital. If the Company reduces its registered capital, it shall do so by the procedures set forth in the Company Law, other relevant regulations and these Articles of Association.

Article 29 If the Company is to reduce its registered capital, it shall prepare a balance sheet and a list of its property.

The Company shall notify its creditors within 10 days from the date of adoption of the resolution at the shareholders' general meeting to reduce its registered capital and publish a public announcement of the resolution in newspapers or the National Enterprise Credit Information Publication System recognized by the relevant regulator of the place where the Company's shares are listed within 30 days and post the same on its website and the website of the relevant stock exchange in accordance with the requirements of the place where Company shares are listed. Creditors shall, within 30 days of receiving written notice, or within 45 days of the date of the public announcement for those who have not received written notice, be entitled to require the Company to pay its debts in full or to provide a corresponding security for repayment.

If the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the shares held by its shareholders, unless otherwise provided by laws or these Articles of Association.

Article 30 If the Company still has a loss after it has made up for the loss in accordance with paragraph 2 of Article 171 of these Articles of Association, it may reduce its registered capital to make up for the loss. If the registered capital is reduced to make up for a loss, the Company shall not make a distribution to the shareholders, nor shall the shareholders be relieved of their obligation to pay the capital or share capital.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 29 of these Articles of Association shall not apply, but an announcement shall be made within thirty days from the date of the shareholders' general meeting's resolution to reduce the registered capital in a newspaper recognized by the relevant regulatory authority of the place where the Company's shares are listed or in the State Enterprise Credit Information Publication System.

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

Article 31 In the event that the registered capital is reduced in violation of the Company Law and other relevant regulations, the shareholders shall return the capital received by them, and any reduction or waiver of the shareholders' capital contribution shall be restored to its original state. If the Company suffers any loss, the shareholders, responsible directors and senior management shall be liable for compensation.

Article 32 When the Company issues new shares for the purpose of increasing its registered capital, the shareholders shall not be entitled to pre-emptive rights, unless otherwise provided for in these Articles of Association or determined by a resolution of the shareholders' general meeting to the effect that the shareholders shall be entitled to pre-emptive rights.

Article 33 The Company may not acquire shares of the Company except under one of the following circumstances:

- (I) reduce its registered capital;
- (II) merger with another company holding shares of the Company;
- (III) use of shares for employee stock ownership plans or equity incentives;
- (IV) a shareholder opposes a resolution on the merger or division of the Company adopted at a general meeting and requests that the Company purchase his or her shares; or
- (V) the shares are used to convert corporate bonds issued by the Company that are convertible into shares;
- (VI) it is necessary for the Company to protect the value of the Company and the interests of its shareholders.

Article 34 Acquisition of the Company's shares by the Company may be carried out through open and centralized trading or by other means recognized by laws, administrative regulations and the CSRC.

Any acquisition of the Company's shares by the Company as a result of the circumstances set forth in items (III), (V) and (VI) of Article 33 of these Articles of Association shall be conducted through open and centralized trading.

Article 35 The purchase of its own shares by the Company for required circumstances specified in items (I) and (II) of Article 33 of these Articles of Association shall require a resolution of the shareholders' general meeting;

In the event that the Company acquires shares of the Company under the circumstances set forth in items (III), (V) and (VI) of Article 33 of these Articles of Association, the Company may, in accordance with the provisions of these Articles of Association or the authorization of the shareholders' general meeting, adopt a resolution at a meeting of the board of directors with the attendance of more than two-thirds of all the directors.

In respect of domestic shares, if the Company acquires shares of the Company in accordance with Article 33 of these Articles of Association, the shares falling under the circumstances in item (I) shall be canceled within ten days from the date of acquisition. In the case of items (II) and (IV), it shall be transferred or canceled within six months. In the case of items (III), (V) and (VI), the number of shares of the Company held by the Company in aggregate shall not exceed 10% of the total number of issued shares of the Company and shall be transferred or canceled within three years.

Where the relevant laws, administrative regulations and the relevant provisions of the regulatory rules of the place where the Company's shares are listed stipulate otherwise in respect of the relevant matters relating to the aforesaid share repurchases, such provisions shall apply accordingly.

Article 36 For the benefit of the Company, by resolution of the shareholders' general meeting or by resolution of the board of directors in accordance with these Articles of Association or the authorization of the shareholders' general meeting, the Company may provide financial assistance for the acquisition of shares of the Company or its parent company by another person, provided that the cumulative total amount of the financial assistance shall not exceed ten percent of the total amount of the issued share capital. Resolutions of the board of directors shall be passed by at least two-thirds of all the directors.

CHAPTER 5. SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS

Article 37 The Company's shares shall be registered shares.

In addition to those provided in the Company Law, a share certificate of the Company shall also contain any other items required to be specified by the stock exchange(s) on which the shares of the Company are listed.

Article 38 The Company shall keep a register of shareholders, in which the following particulars shall be recorded:

- (I) the name, address (domicile), profession or nature of each shareholder;
- (II) the class and quantity of shares held by each shareholder;
- (III) the amount paid or payable for the shares held by each shareholder;
- (IV) the serial numbers of the shares held by each shareholder;
- (V) the date on which each shareholder is registered as such; and
- (VI) the date on which each shareholder ceases to be a shareholder.

The register of shareholders shall be sufficient evidence of holding the Company's shares by a shareholder, unless there is evidence to the contrary.

The Hong Kong branch register of shareholders of the Company must be available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with applicable laws and regulations.

Article 39 The Company shall keep a complete register of shareholders. The register of shareholders shall include the following parts:

- (I) a register of members kept at the Company's domicile other than those provided for under items (II) and (III) of this paragraph;
- (II) the register of holders of overseas listed foreign investment shares kept in the place of the overseas stock exchange on which the shares are listed; the original of the register of holders of overseas listed shares listed on the SEHK shall be kept in Hong Kong; and

- (III) registers of shareholders kept in such other places as the board of directors may decide necessary for listing of the Company's shares.

Article 40 The various parts of the register of shareholders shall not overlap. The transfer of shares registered in a certain part of the register of shareholders shall not, during the continuance of the registration of such shares, be registered in any other part of the register of members.

Changes to and corrections of each part of the register of shareholders shall be carried out in accordance with the laws of its situs.

Article 41 Unless otherwise provided by laws, administrative regulations as well as the regulatory rules of the place where the Company's shares are listed, all overseas listed foreign investment shares listed in Hong Kong for which the share capital has been paid in full may be transferred freely in accordance with the Articles of Association. The board of directors may refuse to recognize any instrument of transfer without giving any reason unless such transfer is carried out in compliance with the following conditions:

- (I) payment of HK\$2.00 or higher charge as agreed by the SEHK has been made to the Company for the purpose of registering the instrument of transfer and other documents relating to or which may affect the title to the shares;
- (II) the instrument of transfer only involves overseas listed foreign investment shares listed in Hong Kong;
- (III) the stamp duty payable on the instrument of transfer as required by Hong Kong laws has been paid;
- (IV) relevant share certificates and evidence that the transferor has the right to transfer such shares as reasonably required by the board of directors have been provided;
- (V) if the shares are to be transferred to joint holders, the number of registered joint holders may not exceed four; and
- (VI) the relevant shares are not encumbered by any lien of the Company.

All transfers of overseas listed foreign investment shares of the Company shall be effective with a written instrument of transfer in general or ordinary form adopted by SEHK or such other form as acceptable to the board of directors. The said instrument of transfer may be signed by hand without seal. If the transferor or transferee of the Company's shares is a recognized clearing house as defined in the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (a "**Recognized Clearing House**") or an agent thereof, the signature on the written instrument of transfer may be signed by hand or in mechanically-printed form. All instruments of transfer must be kept at the legal address of the Company or other place as may be designated by the board of directors from time to time.

Article 42 Where PRC laws, administrative regulations and the regulatory rules of the places where the Company's shares are listed stipulate on the period of closure of the register of shareholders prior to a shareholders' general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

Article 43 When the Company is to convene a shareholders' general meeting, to distribute dividends, to be liquidated or to carry out other acts requiring confirmation of shareholders' status, the board of directors or the convenor of the shareholders' general meeting determines the date of record. Shareholders whose names appear on the register of members at closing on the date of record shall be the shareholders entitled to the relevant rights and interests.

Article 44 Any person that challenges the register of shareholders and requests that his or her name be entered into or removed from the register of members may apply to the competent court for rectification of the register of members.

Article 45 Any shareholder who is registered in the register of shareholders or any person who requests that his or her name be entered into the register of shareholders may apply to the Company for issuance of a replacement certificate in respect of such shares (the "**relevant shares**") if his or her share certificate (the "**original share certificate**") is lost.

Applications for the replacement of share certificates from holders of domestic investment shares who have had their certificates stolen or damaged, or who have lost the same shall be handled in accordance with relevant provisions of the Company Law.

Applications for the replacement of share certificates from holders of overseas listed foreign investment shares who have had their certificates stolen or damaged, or who have lost the same may be handled in accordance with the laws, rules of stock exchange or other relevant regulations of the place where the original of the register of holders of overseas listed foreign investment shares is kept.

Where a holder of H shares who has lost his or her share certificate applies for replacement thereof, such replacement shall comply with the following requirements:

- (I) the applicant shall submit the application in the standard form prescribed by the Company accompanied by a notarial certificate or statutory declaration; the notarial certificate or statutory declaration shall include the applicant's reason for the application, the circumstances and evidence of the loss of the share certificate and a declaration that no other person may request registration as a shareholder in respect of the relevant shares;
- (II) the Company has not received any declaration requesting registration as a shareholder in respect of the shares from any person other than the applicant before it decides to issue a replacement share certificate;

- (III) if the Company decides to issue a replacement share certificate to the applicant, it shall publish a public announcement of its intention to do so in the newspapers or periodicals designated by the board of directors; the period of the public announcement shall be 90 days, during which its publication shall be repeated at least once every 30 days;
- (IV) before publishing the public announcement of its intention to issue a replacement share certificate, the Company shall submit a copy of the announcement to be published to the stock exchange where it is listed and may proceed with such publication after having received a reply from the stock exchange confirming that the announcement has been displayed in the stock exchange. The announcement shall be displayed in the stock exchange for a period of 90 days;

If the application for issuance of a replacement share certificate was made without the consent of the registered holder of the relevant shares, the Company shall mail to such shareholder a photocopy of the public announcement that it intends to publish;

- (V) if, at the expiration of the 90-day periods provided for in items (III) and (IV) hereof, the Company has not received any objection to the issuance of a replacement share certificate from any person, it may issue a replacement share certificate in accordance with the application of the applicant;
- (VI) when the Company issues a replacement share certificate under this Article, it shall immediately cancel the original share certificate and record such cancellation and the issuance of the replacement share certificate in the register of shareholders; and
- (VII) all expenses of the Company for the cancellation of the original share certificate and the issuance of a replacement share certificate shall be borne by the applicant. The Company shall be entitled to refuse to take any action until the applicant has provided reasonable security.

Article 46 After the Company has issued a replacement share certificate in accordance with these Article of Association, it may not delete from the register of shareholders the name of a bona fide purchaser of the replacement share certificate mentioned above or of a shareholder that is subsequently registered as the owner of the shares (provided that he or she is a bona fide purchaser).

Article 47 The Company shall not be liable for damages in respect of any damage suffered by any person from the cancellation of the original share certificate or the issuance of the replacement share certificate, unless the claimant can prove fraud on the part of the Company.

CHAPTER 6. RIGHTS AND OBLIGATIONS OF THE SHAREHOLDERS

Article 48 The Company's shareholders are persons that lawfully hold shares of the Company and whose names are entered in the register of shareholders. The register of shareholders is sufficient evidence of the shareholding of a shareholder in the Company.

Shareholders shall enjoy rights and bear obligations according to the category of shares held by them. Holders of shares of the same category shall enjoy equal rights and bear equal obligations.

Article 49 Holders of shares of the Company shall enjoy the following rights:

- (I) to obtain dividends and other distributions in proportion to the quantity of shares held by them;
- (II) to request hold, convene, preside over, attend or appoint a proxy to attend shareholders' general meetings and speak at the shareholders' general meetings in accordance with the law and to exercise the corresponding voting rights;
- (III) to oversee the Company's business activities, and to make recommendations or inquiries;
- (IV) to transfer, gift or pledge shares held by them in accordance with laws, administrative regulations and regulatory rules of the place where Company shares are listed and these Articles of Association;
- (V) inspect and copy the Articles of Association, register of shareholders, minutes of shareholders' general meetings, resolutions of board of directors' meetings, and financial and accounting reports. Shareholders who meet the requirements may inspect the Company's accounting books and accounting certificates;
- (VI) upon termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the quantity of shares held by them;
- (VII) to request that the Company purchases their shares when they oppose a resolution on the merger or division of the Company adopted at a shareholders' general meeting; and
- (VIII) other rights conferred by laws, administrative regulations, department rules and these Articles of Association.

Article 50 If a shareholder requests to review and copy the information of the Company or makes a request for information, he or she shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations and submit to the Company written documents evidencing the class and number of shares he or she holds. The Company shall provide the same as requested by the shareholder after authenticating his or her identity.

Article 51 If a resolution of the shareholders' general meeting or board of directors of the Company violates the laws or administrative regulations, shareholders have the right to petition a People's Court to invalidate the resolution.

If the procedure for convening or the method of voting at a shareholders' general meeting or a meeting of the board of directors violates the laws, administrative regulations or these Articles of Association, or if the contents of a resolution breaches these Articles of Association, shareholders have the right to petition a court to revoke such resolution within 60 days from the date on which the resolution was adopted. However, convening procedure or voting method of the shareholders' general meeting or the board of directors' meeting is only slightly defective, except that it does not materially affect the resolution.

If the board of directors, shareholders and other relevant parties dispute the validity of a resolution of a shareholders' general meeting, they shall promptly file a lawsuit with the People's Court. The relevant parties shall execute the resolution of the shareholders' general meeting before the People's Court makes a judgment or ruling, such as revocation of the resolution. The Company, its directors and senior management should fulfill their duties diligently to ensure the proper functioning of the Company.

If the People's Court makes a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations and fully explain the impact in accordance with the laws, administrative regulations, the requirements of the CSRC and the regulatory rules of the place where the Company's shares are listed, and actively cooperate with the enforcement of the judgment or ruling after it has come into effect. Corrections to prior periods shall be handled in a timely manner and the corresponding disclosure obligations shall be fulfilled.

Article 52 A resolution of the shareholders' general meeting or the board of directors of the Company shall not be valid under any of the following circumstances:

- (I) Failure to convene a shareholders' general meeting or a board of directors' meeting to make a resolution;
- (II) No resolution was voted on at the shareholders' general meeting or the board of directors' meeting;
- (III) The number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as stipulated in the Company Law or these Articles of Association;
- (IV) The number of persons consenting to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as stipulated in the Company Law or these Articles of Association.

Article 53 If directors other than members of the Audit Committee or a senior management member violates the laws or breaches these Articles of Association in performing his or her duties for the Company, thereby causing the Company to sustain a loss, a shareholder who alone has held or shareholders who totally have held at least 1 percent of the Company's shares for at least 180 days in succession have the right to request in writing that the Audit Committee institutes a legal action in a People's Court. If the members of the Audit Committee violates the laws or breaches these Articles of Association in performing its duties for the Company, thereby causing the Company to sustain a loss, the aforementioned shareholders may request in writing that the board of directors institutes a legal action in a People's Court.

If the Audit Committee or the board of directors refuses to institute a legal action after receipt of the written request from the shareholders as mentioned in the preceding paragraph, or fails to institute a legal action within 30 days from the date of receipt of the request, or if the circumstances are urgent and failure to promptly institute a legal action would cause irreparable harm to the Company's interests, the shareholders mentioned in the preceding paragraph have the right, in the interests of the Company, to directly institute a legal action in a People's Court in their own names.

If a third party infringes on the lawful rights and interests of the Company, thereby causing the Company to sustain a loss, the shareholders mentioned in the first paragraph of this Article may institute a legal action in a People's Court pursuant to the preceding two paragraphs.

If the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate any laws, administrative regulations or the provisions of these Articles of Association in the performance of their duties and cause losses to the Company, or if any other person infringes upon the lawful rights and interests of a wholly-owned subsidiary of the Company and causes losses to the Company, shareholders who have held, individually or in the aggregate, more than one percent of the shares of the Company for more than 180 consecutive days, may request the board of supervisors or board of directors of the wholly-owned subsidiary to institute legal proceedings to the People's Court or to institute legal proceedings directly to the People's Court on their own behalf, in accordance with the first three paragraphs of Article 189 of the Company Law.

Article 54 If a director or senior management member violates the laws or breaches these Articles of Association, thereby harming the interests of a shareholder, such shareholder may institute a legal action in a People's Court.

Article 55 Holders of shares of the Company bear the following obligations:

- (I) to comply with laws, administrative regulations and these Articles of Association;
- (II) to pay subscription amount according to the shares subscribed for by them and the method of acquiring such shares;
- (III) not to withdraw share capital except in circumstances specified in laws, administrative regulations;
- (IV) not to abuse their rights as the shareholders to harm the interests of the Company or those of other shareholders; not to abuse the status of the Company as an independent legal person or shareholders' limited liability to harm the interests of the Company's creditors; If a shareholder abuses his or her rights as shareholder, thereby causing the Company or another shareholder to sustain a loss, he or she shall be held liable for damages in accordance with the law. If a shareholder abuses the status of the Company as an independent legal person or shareholders' limited liability to evade a debt, thereby materially harming the interests of the creditors of the Company, he or she shall bear joint liability for the debt of the Company;
- (V) other obligations imposed by laws and these Articles of Association.

Article 56 The controlling shareholder and actual controller of the Company shall exercise their rights and fulfill their obligations in accordance with the laws and administrative regulations, the provisions of the CSRC and the regulatory rules of the place where the Company's shares are listed, and safeguard the interests of the listed company.

The controlling shareholder and the actual controller of the Company shall comply with the following requirements:

- (I) Exercise shareholders' rights in accordance with the law, and do not abuse the right of control or take advantage of related relationships to jeopardize the legitimate rights and interests of the Company or other shareholders;
- (II) Strictly fulfill the public statements and undertakings made and shall not change or waive them without authorization;
- (III) Fulfill the information disclosure obligations in strict accordance with the relevant regulations, actively and proactively cooperate with the Company in the information disclosure work, and inform the Company in a timely manner of material events that have occurred or are intended to occur;
- (IV) Shall not in any way occupy the funds of the Company;
- (V) Shall not force, instruct or require 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 inside trading, short-term trading, market manipulation and other illegal and unlawful acts;
- (VII) The legitimate rights and interests of the Company and other shareholders shall not be jeopardized in any way through unfair related party (connected) transactions, profit distribution, asset reorganization or external investment;
- (VIII) Ensure the integrity of the Company's assets, independence of its personnel, financial independence, organizational independence and business independence and shall not in any way affect the independence of the Company;
- (IX) Other provisions of laws, administrative regulations, CSRC regulations, regulatory rules of the place where the Company's shares are listed and these Articles of Association.

If a controlling shareholder or an actual controller of the Company does not serve as a director of the Company but actually executes the affairs of the Company, the provisions of these Articles of Association regarding the obligations of loyalty and diligence of directors shall apply.

If a controlling shareholder or an actual 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 its shareholders, he or she shall be jointly and severally liable with such director or senior management.

Article 57 Controlling shareholders and actual controllers who pledge shares of the Company held by them or under their effective control shall maintain the control of the Company and the stability of its production and operation.

Article 58 Controlling shareholders and actual controllers who transfer their shares in the Company shall comply with the restrictive provisions on the transfer of shares set out in the laws, administrative regulations, the provisions of the CSRC and the regulatory rules of the place where the Company's shares are listed, as well as their undertakings in respect of restrictions on the transfer of shares.

CHAPTER 7. SHAREHOLDERS' GENERAL MEETING

Article 59 The shareholders' general meeting of the Company shall be composed of all shareholders. The shareholders' general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with the law:

- (I) to elect and replace directors who are not representatives of the employees and to decide on matters relating to their remuneration;
- (II) to consider and approve reports of the board of directors;
- (III) to consider and approve the Company's profit distribution plans and plans for making up losses;
- (IV) to pass resolutions concerning the increase or reduction of the Company's registered capital;
- (V) to pass resolutions on the issuance of corporate bonds;
- (VI) to pass resolutions on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (VII) to prepare and amend these Articles of Association;
- (VIII) to make resolutions on the engagement and dismissal of accounting firms that undertake the Company's auditing business and its remuneration;
- (IX) to consider and approve matters relating to the purchase or disposal of material assets by the Company within one year in an amount representing more than 30 percent of the Company's latest audited total assets;
- (X) to consider and approve the changes in the use of proceeds;
- (XI) to consider and approve equity incentive plans and employee stock ownership plans;
- (XII) to consider and approve matters that shall be considered by the shareholders' general meetings relating to the provision of guarantee for third parties as specified in these Articles of Association;

(XIII) to consider related party (connected) transactions required to be considered and approved by the shareholders' general meeting as prescribed by laws, administrative regulations, departmental rules, regulatory documents and the regulatory rules of the place where shares of the Company are listed; and

(XIV) to consider other matters that require to be resolved by the shareholders' general meeting as prescribed by laws, administrative regulations, departmental rules, regulatory documents and relevant regulations of the regulatory rules of the place where Company shares are listed and these Articles of Association.

The shareholders' general meeting may authorize the board of directors to make resolutions on the issuance of corporate bonds.

Subject to the laws, administrative regulations and mandatory provisions of the regulatory rules of the place where the Company's shares are listed, the shareholders' general meeting may authorize or entrust the board of directors to handle the matters authorized or entrusted by it.

Article 60 The provision of guarantee by the Company to third parties as set forth below shall be subject to the consideration and approval of the shareholders' general meeting:

- (I) any guarantee provided by the Company and the Company's controlled subsidiaries after the total amount of external guarantees exceeds 50% of the latest audited net assets;
- (II) any guarantee to be provided after the total amount of guarantee provided by the Company to third parties reaches or exceeds 30 percent of the latest audited total assets;
- (III) the amount of guarantees provided by the Company to others within one year exceeds 30% of the Company's latest audited total assets;
- (IV) guarantees provided to guarantee recipients with gearing ratios exceeding 70%;
- (V) guarantees with a single guarantee amount exceeding 10% of the latest audited net assets;
- (VI) any guarantee to be provided to a shareholder, the actual controller or a related (connected) person thereof; and
- (VII) other provisions of guarantees that are required to be submitted to the shareholders' general meeting for approval as prescribed by the laws and these Articles of Association. The provision of guarantee to third parties other than as mentioned above shall be subject to the consideration and approval of the board of directors as authorized by the shareholders' general meeting.

If a director, the president, the vice president and other senior management member violate the provisions on the approval authority or consideration procedure of guarantee to third parties as specified in laws or these Articles of Association, thereby causing the Company to sustain a loss, he or she shall be liable for the damages and the Company may institute a legal action against him or her in accordance with the law.

Article 61 Except under unusual circumstances such as a crisis, the Company may not conclude any contract with any person other than a director or senior management members of the Company whereby such person is put in charge of the management of the whole or a substantial part of the Company's business without the prior approval of the shareholders' general meeting by way of a special resolution.

Article 62 Shareholders' general meetings include annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year and within six months after the end of the preceding fiscal year.

The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

- (I) the number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in these Articles of Association;
- (II) the losses of the Company that have not been made up reach one-third of its total share capital;
- (III) such is requested in writing by a shareholder alone or shareholders together holding at least 10 percent of the Company's shares (the number of shares held by the shareholders shall be counted based on the date of the written request);
- (IV) the board of directors considers it necessary;
- (V) the Audit Committee proposes that such a meeting shall be held;
- (VI) a majority of all of the independent non-executive directors agree to propose that such a meeting shall be held;
- (VII) other circumstance as specified by laws, administrative regulations, departmental rules or these Articles of Association.

Article 63 The Company shall hold shareholders' general meetings at its domicile or other specific location as notified in the notice of the shareholders' general meeting.

A meeting venue will be established for shareholders' general meetings and meetings shall be held on site. Shareholders' general meeting may be convened by means of electronic communication in addition to being held on-site at a meeting place. If the meeting is also held by means of electronic communication, the Company will also provide internet voting as a convenience to shareholders. The shareholders that have participated in the meeting through access of any aforesaid means shall be deemed as present at the meeting.

Article 64 The board of directors shall convene a shareholders' general meeting on time and within the prescribed period.

With the approval of a majority of all the independent non-executive directors, the independent non-executive directors have the right to propose to the board of directors to convene an extraordinary general meeting. The board of directors shall, in accordance with laws, administrative regulations and these Articles of Association, give a written response on whether or not it agrees to call such an extraordinary general meeting within 10 days after receipt of the proposal from the independent non-executive directors aforesaid.

If the board of directors agrees to call an extraordinary general meeting, it shall issue a notice calling such meeting within 5 days after the resolutions are made; if the board of directors does not agree to call such meeting, it shall give the reasons therefor in writing and publish the same in a public announcement.

Article 65 The Audit Committee shall propose to the board of directors in writing that it calls an extraordinary general meeting. The board of directors shall, in accordance with laws and these Articles of Association, give a written response on whether or not it agrees to call such meeting within 10 days after receipt of the proposal.

If the board of directors agrees to call an extraordinary general meeting, it shall issue a notice calling such meeting within 5 days after the resolutions are made. The consent of the Audit Committee is required for any changes to be made to the original proposal in the notice.

If the board of directors does not agree to call such meeting, or fails to give a response within 10 days after the receipt of the proposal, it shall be deemed to be unable to or have failed to perform its duty of convening the shareholders' general meeting, and the Audit Committee may itself convene and preside over such meeting.

Article 66 A shareholder alone or shareholders together holding at least 10 percent of the Company's shares shall have the right to make a request to the board of directors in writing that it call an extraordinary general meeting. The board of directors shall, in accordance with laws and these Articles of Association, give a written response on whether or not it agrees to call such a meeting within 10 days after receipt of the request.

If the board of directors agrees to call an extraordinary general meeting, it shall issue a notice calling such meeting within 5 days after it has so resolved. The consent of the relevant shareholder(s) is required for any changes to be made in the notice to the original proposal.

If the board of directors does not agree to call such meeting, or fails to give a response within 10 days after receipt of the request, the shareholder alone or shareholders together holding at least 10 percent of the shares shall have the right to propose to the Audit Committee in writing that it requests to call the extraordinary general meeting.

If the Audit Committee agrees to call the extraordinary general meeting, it shall issue a notice calling such meeting within 5 days after receipt of the request. The consent of the relevant shareholder(s) is required for any changes to be made in the notice to the original request.

If the Audit Committee fails to issue a notice calling the shareholders' general meeting by the prescribed deadline, it shall be deemed to have failed to convene and preside over such meeting, and a shareholder who alone or shareholders who together holding at least 10 percent of the shares of the Company for at least 90 days in succession may himself/herself/themselves convene and preside over such meeting.

Article 67 If the Audit Committee or shareholders decide to convene a shareholders' general meeting on their own, they shall notify the board of directors in writing and at the same time fulfill the relevant procedures in accordance with the requirements of the stock exchange where the Company's shares are listed.

The Audit Committee or the convening shareholders shall submit the relevant supporting materials as required by the stock exchange where the Company's shares are listed when issuing the notice of the shareholders' general meeting and the announcement of the resolution of the shareholders' general meeting. Before the announcement of the resolution of the shareholders' general meeting, the shareholding of the convening shareholders shall not be less than ten percent.

Article 68 When the Audit Committee or shareholders themselves convene a shareholders' general meeting, the board of directors and the secretary to the board of directors shall cooperate. The board of directors shall provide the register of shareholders as of the date of record. If the board of directors fails to provide the register of shareholders, the convener may apply to the securities depository or the agency to obtain the same on the strength of the relevant notice or announcement convening the shareholders' general meeting. The register of shareholders obtained by the convener may not be used for any purpose other than to hold the shareholders' general meeting.

Article 69 When the Audit Committee or shareholders themselves convene a shareholders' general meeting, the necessary expenses shall be borne by the Company.

Article 70 When the Company is to hold an annual general meeting, it shall inform shareholders by means of a public announcement 20 days prior to the meeting and where the Company is to hold an extraordinary general meeting, it shall inform shareholders 15 days prior to the meeting by means of a public announcement.

Regarding the calculation of the notice period, the date of the meeting shall not be included.

For notices given under this article, the date posted shall be the date of delivering the relevant notice to post office by the Company or the share registrar appointed by the Company.

Article 71 The contents of proposals before the shareholders' general meeting shall fall within the authority of the shareholders' general meeting, contain a clear topic and a specific resolution and comply with relevant provisions of laws, administrative regulations and these Articles of Association.

Proposal before the shareholders' general meeting shall be in writing.

Article 72 When the Company is to hold an annual general meeting, the board of directors, the Audit Committee and a shareholder alone or shareholders together holding 1 percent or more of the Company's shares shall be entitled to propose motions to the Company.

A shareholder alone or shareholders together holding at least 1 percent of the shares of the Company may submit extempore motions in writing to the convener 10 days prior to the date of such meeting. The convener shall issue a supplementary notice of the shareholders' general meeting and make a public announcement of the contents of such extempore motion within two days after receipt of the motion, and submit such extempore motion to the shareholders' general meeting for consideration. However, except the provisional proposal is in violation of the provisions of laws, administrative regulations or the Company's Articles of Association, or is not within the scope of the shareholders' general meeting's terms of reference.

Except as provided in the preceding paragraph, the convener may not make any changes to the motions set forth in the notice of the shareholders' general meeting or add any new motions once the notice and announcement of the shareholders' general meeting have been issued.

The shareholders' general meeting may not vote and pass resolution on motions that are not set forth in the notice of the shareholders' general meeting or that are in breach of these Articles of Associations.

Article 73 The notice of a shareholders' general meeting shall include the following:

- (I) the date, place and duration of the meeting;
- (II) the matters and motions submitted to the meeting for consideration;
- (III) provide to the shareholders the information and explanations necessary to make informed decisions on the matters to be discussed, which include but not limited to, when the Company proposes a merger, buyback of shares, restructuring of share capital or other reorganization, the specific conditions and contract (if any) of the transaction contemplated and earnest explanation of the cause and effect of the transaction;
- (IV) contain a disclosure of the nature and extent of the material interests, if any, of any director, senior management members in any matter to be discussed; and an explanation of the difference, if any, between the way in which the matter to be discussed would affect such director, senior management members in his capacity as shareholder and the way in which such matter would affect other shareholders of the same class;
- (V) contain the full text of any special resolution proposed to be approved at the meeting;
- (VI) contain conspicuously a statement that all shareholders are entitled to attend and vote, that they may appoint proxies in writing to attend and vote at such meeting on their behalves and that such proxies need not be the shareholders of the Company;
- (VII) state the time and place for serving the instruments of appointment for voting at the meeting;
- (VIII) the date of record for the shareholders who are entitled to attend the meeting;
- (IX) the name and contact information of the contact person for the meeting; and
- (X) voting times and procedures for voting by internet or other means.

Article 74 If the shareholders' general meeting intends to discuss the election of directors, the notice of the shareholders' general meeting will fully disclose the details of the director candidates, including at least the following:

- (I) Personal information such as educational background, work experience and part-time jobs;
- (II) Whether there is any relationship with the Company or the Company's controlling shareholders and actual controllers;
- (III) Number of shares held in the Company;
- (IV) Whether he/she has been penalized by the CSRC and other relevant authorities and disciplined by the stock exchange;
- (V) Other contents required to be disclosed by laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed. Except for the adoption of the cumulative voting system for the election of directors, each director candidate shall be submitted by a single proposal.

Article 75 After notice of a shareholders' general meeting has been given, the shareholders' general meeting shall not be adjourned or canceled without a valid reason and proposals specified in the notice of the shareholders' general meeting shall not be canceled. In the event of postponement or cancellation, the convenor shall make an announcement at least two working days prior to the scheduled date of the convening with reasons. Where the regulatory rules of the place where the Company's shares are listed provide otherwise in respect of the foregoing, such provisions shall apply.

Article 76 The board of directors and other conveners of the Company shall take necessary measures to ensure the proper order of the shareholders' general meeting. Measures will be taken to stop any disruption of shareholders' general meetings, picking quarrels and provoking trouble and infringement of shareholders' legitimate rights and interests which will be promptly reported to the relevant authorities for investigation and punishment.

Article 77 All holders of ordinary shares registered on the record date or their proxies shall have the right to attend a shareholders' general meeting and exercise their voting rights in accordance with relevant laws and these Articles of Association.

Shareholders may attend shareholders' general meetings in person or, appoint a proxy to attend and vote at the meeting on their behalfs.

Article 78 An individual shareholder who attends a meeting in person shall produce his or her own identity card or other valid document or proof evidencing his or her identity. If he or she appoints a proxy to attend the meeting on his or her behalf, such proxy shall produce his or her own valid proof of identity and the instrument of appointment from the shareholder.

Shareholders that are legal persons shall be represented at a meeting by their legal representative or a proxy appointed by their legal representative. If the legal representative attends the meeting, he or she shall produce his or her own identity card and valid proof of his or her legal representative status. If a proxy has been appointed to attend the meeting, such proxy shall produce his or her own identity card and the lawful written instrument of appointment issued by the legal representative of the legal person shareholder.

Article 79 Any shareholder entitled to attend and vote at a shareholders' general meeting shall have the right to appoint one or more persons (who need not be shareholders) as his or her proxies to attend and vote on his or her behalf.

Article 80 The instrument of appointment by which a shareholder appoints another person to attend a shareholders' general meeting shall specify the following particulars:

- (I) the names of the principal and class and number of shares held in the Company;
- (II) the names of the proxy;
- (III) specific instructions of the shareholders, including instructions as to whether to vote for, vote against, or abstain from voting on, each item on the agenda of the shareholders' general meeting as an item for consideration thereat, etc.;
- (IV) the date of issuance and term of validity of the instrument of appointment; and
- (V) the signature (or seal) of the principal. If the principal is a legal person shareholder, the power of attorney shall bear the seal of the legal person or the signature of a duly authorized officer.

Article 81 The instrument appointing a voting proxy shall be deposited at the domicile of the Company or at such other place as specified in the notice of the meeting at least 24 hours prior to the meeting at which the proxy is authorized to vote or 24 hours prior to the specified time of the vote. If the instrument is signed by another person authorized by the principal, the power of attorney or other document authorizing the signature shall be notarized. The notarized power of attorney or other authorizing document shall be deposited together with the instrument appointing the voting proxy at the domicile of the Company or at such other place as specified in the notice of the meeting.

If the principal is a legal person, its legal representative or the person resolved and authorized by the board of directors or other decision-making body shall attend the shareholders' general meeting of the Company on its behalf.

If the shareholder in question is a recognized clearing house (or its proxy) as defined in the relevant provisions of Hong Kong laws promulgated from time to time, it may appoint one or more person(s) as it thinks fit to act as its representative(s) at any shareholders' general meeting. However, if more than one proxy obtains the authorization, the instrument of appointment shall specify the number and class of shares that each proxy represents and shall be duly signed by the authorized personnel recognized by the clearing house. Such duly authorized person may represent the clearing house (or its proxy) to attend the meeting (without showing share certificates, the notarized authorization and/or further evidence of duly authorization to serve as the proof of due authorization) and exercise the same power as if he/she is an individual shareholder of the Company.

Article 82 The Company is responsible for the production of the register of meetings for those attending the meetings. The register of meetings shall contain the names (or unit names) of the participants, their identity card numbers, the number of shares they hold or represent with voting rights, and the names (or unit names) of their proxies, etc.

Article 83 The convener and the attorney appointed by the Company will jointly verify the legitimacy of the shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing organization, and register the names of the shareholders and the number of shares for which they hold voting rights. Registration for the meeting shall be terminated before the presiding officer of the meeting announces the number of shareholders and proxies present on-site at the meeting and the total number of shares holding voting rights.

Article 84 If the shareholders' general meeting requests the directors and senior management to attend the meeting, the directors and senior management shall attend the meeting and take questions from the shareholders.

Article 85 The chairman of the board of directors shall preside over the shareholders' general meeting. If the chairman of the board of directors fails or is unable to perform his or her duties, the meeting shall be presided over by the vice chairman of the board of directors. If the vice chairman of the board of directors fails or is unable to perform his or her duties, the meeting shall be presided over by the director jointly elected by a majority of the directors.

At a shareholders' general meeting convened by the Audit Committee, the chairman of the Audit Committee shall preside. If the chairman of the Audit Committee fails or is unable to perform his or her duties, the meeting shall be presided over by a member of the Audit Committee jointly elected by a majority of the members of the Audit Committee.

If a shareholders' general meeting is convened by a shareholder himself/herself or shareholders themselves, the meeting shall be presided over by the convener(s) or representative selected by the convener(s).

When a shareholders' general meeting is held, if the chairman of the meeting violates the rules of procedure, making continuance of the shareholders' general meeting impossible, with the consent of shareholders holding more than one half of the voting rights present at the meeting, the shareholders' general meeting may elect a person to serve as chairman of the meeting and the meeting shall continue. If, for any reason, the shareholders are unable to elect a meeting chairman, the shareholder (including his or her proxy) present who holds the greatest number of voting shares shall serve as the meeting chairman.

Article 86 The Company shall formulate the Rules of Procedure for Shareholders' General Meetings which shall specify in detail the procedures for convening, calling and voting at shareholders' general meeting, and cover notification, registration, the consideration of motions, voting, vote counting, announcement of voting results, the adoption of meeting resolutions, the keeping and signing of meeting minutes, announcement, etc., as well as the principles for the authorization of the board of directors by the shareholders' general meeting.

Article 87 The board of directors shall report on their work during the past year to the shareholders' general meeting at annual general meetings. Each independent non-executive director shall also give a report on the performance of his or her duties.

Article 88 The directors and senior management members shall provide explanations in response to the queries and suggestions made by shareholders at a shareholders' general meeting, unless a matter involves trade secrets of the Company that cannot be disclosed at a shareholders' general meeting.

Article 89 The chairman of the meeting shall announce the number of shareholders and proxies present at the meeting held in person and the total number of voting shares that they hold before a vote is held. The meeting registration shall prevail in respect of the number of shareholders and proxies present at the meeting held in person and the total number of voting shares held by them.

Article 90 Minutes shall be taken at the shareholders' general meetings, which shall be done by the secretary of the board of directors. The minutes record the following:

- (I) The time, place and agenda of the meeting and the names of the convenor;
- (II) The name of the presiding officer and the directors and senior management present at the meeting;
- (III) The number of shareholders and proxies attending the meeting, the total number of shares held by them with voting rights and their proportion to the total number of shares of the Company, and the number of shares held by ordinary shareholders with voting rights and their proportion to the total number of shares of the Company;
- (IV) The process of considering each proposal, the main points of the speeches made and the results of the voting;
- (V) Shareholders' enquiries or suggestions and the corresponding replies or explanations;
- (VI) The names of the attorney, vote counters and scrutineers;
- (VII) The vote of ordinary shareholders present at the shareholders' general meeting on each of the resolutions;
- (VIII) Such other matters as required by these Articles of Association to be included in the minutes of the meetings.

Article 91 The convener shall ensure that the meeting minutes are true, accurate and complete. The directors, secretary to the board of directors who attended or presented the meeting, the convener or his/her representative and the chairman of the meeting shall sign the minutes. The meeting minutes shall be kept together with the sign-in register of the shareholders present in person, the instruments of appointment of proxies and valid information on votes cast online or by other means for a period of not less than 10 years.

Article 92 The convener shall ensure that the shareholders' general meeting continues until the final resolution has been adopted. If a shareholders' general meeting is suspended or if it is unable to reach a resolution due to force majeure or other such special reason, necessary measures shall be taken to resume the shareholders' general meeting as soon as possible or the shareholders' general meeting shall be directly adjourned and the same announced in a timely manner.

Article 93 Resolutions of the shareholders' general meeting are divided into ordinary resolutions and special resolutions.

Ordinary resolutions of the shareholders' general meeting shall be adopted by shareholders in attendance holding at least half of the voting rights. Special resolutions of the shareholders' general meeting shall be adopted by shareholders in attendance holding at least two-thirds of the voting rights.

Article 94 When a shareholder exercises his or her voting rights based on the number of voting shares which he or she represents, each share shall entitle him or her to one vote.

When the shareholders' general meeting deliberates on material matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of the separate count should be publicly disclosed in a timely manner.

No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of voting shares present at a shareholders' general meeting.

In the event that a shareholder's purchase of the Company's voting shares violates the provisions of Article 63(1) and (2) of the Securities Law, the portion of the shares in excess of the prescribed ratio shall not be allowed to exercise the voting right for a period of 36 months after the purchase and shall not be counted in the total number of shares present at the shareholders' general meeting that have the right to vote.

The board of directors, independent non-executive directors, shareholders holding more than one percent of the voting shares, or investor protection organizations established in accordance with laws, administrative regulations or the regulations of the CSRC may openly solicit shareholders' voting rights. The solicitation of shareholders' voting rights should fully disclose specific voting intentions and other information to the solicitees. Solicitation of shareholders' voting rights by means of compensation or disguised compensation is prohibited. The Company may not impose a minimum shareholding restriction on the solicitation of voting rights except under statutory conditions.

Where any shareholder is, under applicable laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed, required to abstain from voting on any particular matter being considered or restricted to voting only for or only against any particular matter being considered, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 95 Decisions of the shareholders' general meeting on any of the following matters shall be adopted by ordinary resolution:

- (I) work reports of the board of directors;
- (II) the profit distribution plans and plans for making up losses drafted by the board of directors;
- (III) the appointment, dismissal and remuneration of the members of the board of directors and the method of payment of the remuneration;
- (IV) balance sheets, profit statements and other financial statements;
- (V) appointment, removal and remuneration of the accounting firms; and
- (VI) matters other than those which the laws, administrative regulations, the regulatory rules of the place on which the shares of the Company are listed, or these Articles of Association require to be adopted by special resolution.

Article 96 Decisions of the shareholders' general meeting on any of the following matters shall be adopted by special resolution:

- (I) the increase or reduction of the registered capital and issuance of any class of shares, warrants or other similar securities by the Company;
- (II) the division, merger, dissolution, liquidation or change in the corporate form of the Company;
- (III) the amendment of the Articles of Association of the Company;
- (IV) the purchase or sale by the Company within one year of (a) material asset(s) exceeding or the provision of security provided to others, the amount(s) of which exceeds 30 percent of the audited total assets of the Company as at the most recent period;
- (V) equity incentive plans; and
- (VI) other matters which the laws, administrative regulations, the regulatory rules of the place on which the shares of the Company are listed, or these Articles of Association require to be adopted by special resolution or which the shareholders' general meeting considers will have a material impact on the Company and therefore require, by an ordinary resolution, to be adopted by special resolution.

Article 97 When the shareholders' general meeting considers matters relating to a related party (connected) transaction, the related (connected) shareholders shall not participate in the vote, and the number of voting shares represented by them shall not be counted toward the total number of valid voting shares. The announcement of the resolutions of the shareholders' general meeting shall fully disclose the way the unrelated shareholders voted.

Article 98 The list of candidates for the position of director shall be put in the form of a motion before the shareholders' general meeting for resolution.

When the shareholders' general meeting votes on the election of directors, it may, pursuant to these Articles of Association or a resolution of the shareholders' general meeting, do so by cumulative voting.

When two or more independent non-executive directors are elected at a shareholders' general meeting, a cumulative voting system shall be implemented.

Article 99 The method of, and procedure for, nominating directors are as set forth below:

- (I) a shareholder alone or shareholders together holding at least 1 percent of the total outstanding voting shares of the Company may propose to the shareholders' general meeting candidates for the position of director who is not a representative of the employees in the form of a written motion, provided that the number of persons nominated complies with these Articles of Association and is not greater than the number of persons to be elected; the aforementioned motion submitted to the Company by (a) shareholder(s) shall be served on the Company at least 14 days before the date the shareholders' general meeting is to be held;
- (II) the board of directors may, to the extent of the number of persons specified in these Articles of Association, propose a list of recommended director candidates consistent with the number of persons to be elected, and submit the same to the board of directors, as the case may be, for review; once the board of directors has conducted its review and adopted a resolution determining the director candidates, it shall bring the same before the shareholders' general meeting in the form of a written motion. The nomination of candidates for independent non-executive directors shall be carried out in accordance with laws, administrative regulations and the regulatory requirements of the places where the Company's shares are listed;
- (III) the shareholders' general meeting votes on each of the director candidates;
- (IV) if the need arises for an additional or replacement of director at short notice, the same shall be proposed by the board of directors, recommending that the shareholders' general meeting elect or replace the same.

Article 100 With the exception of the cumulative voting system, the shareholders' general meeting will hold a vote on each motion. If there are different motions concerning a certain matter, the votes thereon shall be taken in the order the motions were proposed. The shareholders' general meeting will not set aside or not vote on a motion, unless the shareholders' general meeting is suspended or if it is unable reach a resolution due to force majeure or other such special reason.

Article 101 When considering a motion, the shareholders' general meeting may not revise it, and if revised, such amendment shall be deemed as a new motion and may not be voted on at the current Shareholders' general meeting.

Article 102 The same voting right can only choose one of the on-site, online or other voting methods. In the case of a duplicate vote on the same voting, the result of the first ballot shall be deemed to be the correct one.

Article 103 Votes at shareholders' general meeting shall be cast by disclosed ballot.

Article 104 If the chairman of the meeting has any doubts concerning the result of the vote on any resolution, he or she may organize a recount of the number of votes cast. If the chairman of the meeting does not conduct a recount of the votes and an attending shareholder or proxy challenges the result of a vote announced by the chairman of the meeting, he or she has the right to demand a vote recount immediately following the announcement of the result, in which case the chairman of the meeting shall promptly organize a recount of the votes.

Article 105 Resolutions of a shareholders' general meeting shall be announced in a timely manner, and the announcement shall set out the number of shareholders and proxies attending the meeting, the total number of shares holding voting rights and their proportion to the total number of voting shares of the Company, the manner of voting, the results of the voting on each of the proposals and the details of each resolution passed, as well as any other contents required by the laws, regulations and regulatory rules of the place where the Company's shares are listed.

Article 106 If the proposal is not approved, or if the current shareholders' general meeting changes the resolution of the previous shareholders' general meeting, a special notice shall be made in the announcement of the resolution of the shareholders' general meeting.

Article 107 If the shareholders' general meeting approves the proposal on the election of directors, the new directors shall take office on the date of the shareholders' general meeting to consider and approve the proposal.

Article 108 If the shareholders' general meeting approves a proposal for cash distribution, share grants or capitalization of capital surplus, the Company will implement the specific plan within two months after the shareholders' general meeting.

CHAPTER 8. BOARD OF DIRECTORS

Section 1. Directors

Article 109 A director of the Company is a natural person and cannot be a director of the Company under any of the following circumstances:

- (I) Civil incapacity or limited civil capacity;
- (II) If a person has been sentenced to imprisonment for corruption, bribery, appropriation of property, misappropriation of property or disruption of the socialist market economic order, or if he/she has been deprived of his/her political rights as a result of committing a crime, the period of enforcement not exceeding five years, and he/she has been declared to be on probation, he/she shall not have exceeded two years from the date of the expiration of his/her probationary period;
- (III) If a director, factory director or manager of a company or enterprise in bankruptcy or liquidation is personally liable for the bankruptcy of that company or enterprise, not more than three years have elapsed since the date on which the liquidation of that company or enterprise in bankruptcy or liquidation was completed;

- (IV) If he or she is the legal representative of a company or enterprise whose business license has been revoked or whose closure has been ordered as a result of a violation of law and is personally liable for the violation, not more than three years have elapsed since the date on which the business license of that company or enterprise has been revoked or its closure has been ordered;
- (V) A person is classified by the People's Court as an executor in breach of trust for having failed to settle a relatively large amount of debt when it is due;
- (VI) The period of being banned from the securities market by the CSRC has not yet expired;
- (VII) Being publicly recognized by the stock exchange as unsuitable to serve as a director or senior management of a listed company for an unspent period of time;
- (VIII) Other contents prescribed by laws, administrative regulations or departmental rules.

If a director is elected or appointed in violation of this Article, such election, appointment or employment shall be null and void. The Company shall remove a director from office and cease his/her performance of duties if any of the circumstances set forth in this Article occurs during his/her tenure of office.

Article 110 The Company shall have a board of directors which shall be accountable to the shareholders' general meetings. The board of directors shall consist of 7 to 11 directors, including one honorary chairman, one chairman, one vice chairman (optional) and no less than 3 independent non-executive directors, which should represent at least a third of the Board. The Company shall have 1 employee representative director, who shall be democratically elected by the employees of the Company through employee representative meeting, employee general meeting or other forms, and need not be submitted to the shareholders' general meeting for consideration.

Article 111 Directors who are not employee representatives shall be elected or changed at shareholders' general meetings and can be removed from office by the shareholders' general meeting before the expiration of the term of office. The directors have a term of office of 3 years. Upon the maturity of the term of office, a director shall be eligible to offer himself for re-election and re-appointment.

The term of office of the directors shall commence on the date of their assumption of office and shall expire upon the expiration of the current term of office of the board of directors. If a director is not re-elected in a timely manner upon expiration of his/her term of office, the original director shall continue to perform his/her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules and these Articles of Association until the re-elected director assumes office.

Directors may be concurrently held by senior management, but the total number of directors who also hold senior management positions and directors who are employee representatives shall not exceed one-half of the total number of directors of the Company.

The honorary chairman, chairman and vice chairman of the board of directors shall be elected and removed by more than one-half of all directors. The term of office of the chairman shall be 3 years, renewable upon re-election. Directors are not required to hold shares of the Company.

Article 112 Directors shall comply with the laws, administrative regulations and the provisions of these Articles of Association and shall owe a duty of loyalty to the Company. The directors shall take measures to avoid any conflict between their own interests and the interests of the Company and shall not make use of their duties and powers to obtain improper benefits.

The directors owe the following duties of loyalty to the Company:

- (I) not to encroach on the Company's property or misappropriate the Company's funds;
- (II) shall not open an account for the deposit of the Company's funds in its own name or in the name of any other individual;
- (III) shall not use his/her official position to bribe or receive other illegal income;
- (IV) no contract or transaction shall be entered into directly or indirectly with the Company without being reported to the board of directors or the shareholders' general meeting and approved by a resolution of the board of directors or the shareholders' general meeting in accordance with the provisions of these Articles of Association;
- (V) shall not utilize the convenience of his/her duties to obtain for himself/herself or others business opportunities belonging to the Company, except when such business opportunities are reported to the board of directors or the shareholders' general meeting and approved by a resolution of the shareholders' general meeting, or when the Company is not allowed to take advantage of such business opportunities in accordance with the laws, administrative regulations or the provisions of these Articles of Association;
- (VI) not to engage in business of the same kind as that of the Company, either on its own or for others, without reporting to the board of directors or the shareholders' general meeting and obtaining approval of resolution from the shareholders' general meeting;
- (VII) not to accept for his/her own use commissions from transactions with the Company;
- (VIII) no unauthorized disclosure of the Company's secrets;
- (IX) not to take advantage of his/her affiliation to the detriment of the Company's interests;
- (X) other obligations of loyalty as stipulated by laws, administrative regulations, departmental rules and these Articles of Association.

Income derived by a director from a breach of this Article shall accrue to the Company. If the Company suffers any loss, it shall be liable for compensation.

The provisions of Paragraph 2(4) of this Article shall apply to the entering into of contracts or transactions with the Company by close relatives of directors or senior management, enterprises directly or indirectly controlled by the directors or senior management or their close relatives, and associates who have other related relationships with the directors or senior management.

Article 113 The directors shall comply with the laws, administrative regulations and the provisions of these Articles of Association and shall owe a duty of diligence to the Company. The directors shall perform their duties with all the reasonable care normally expected of a manager in the best interests of the Company.

The directors have the following duties of diligence to the Company:

- (I) exercise the rights conferred by the Company in a prudent, conscientious and diligent manner to ensure that the Company's business conduct complies with national laws, administrative regulations and the requirements of various national economic policies, and that business activities do not exceed the scope of business as stipulated in the business license;
- (II) all shareholders shall be treated fairly;
- (III) understand the Company's business operation and management in a timely manner;
- (IV) should sign a written confirmation of the Company's periodic reports to ensure that the information disclosed by the Company is true, accurate and complete;
- (V) provide the Audit Committee with relevant circumstances and information in a truthful manner and shall not impede the Audit Committee from exercising its duties and responsibilities;
- (VI) other duties of diligence stipulated by laws, administrative regulations, departmental rules and these Articles of Association.

Article 114 A director who fails to attend two consecutive meetings of the board of directors in person and does not appoint another director to attend the meetings of the board of directors shall be deemed to be incapable of discharging his duties and the board of directors shall recommend to the shareholders' general meeting for his/her removal.

Article 115 A director may resign before the expiry of his/her term of office. The resigning director shall submit to the board of directors a written resignation. The resignation is effective on the date the Company receives the resignation report. Further details shall be disclosed by the board of directors within two days.

In case that the number of members of the board of directors falls below the quorum as a result of the resignation of a director, the existing directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and the Articles of Association until the re-elected directors assume their office.

Article 116 The Company has established a system for managing the departure of directors, which specifies the safeguards for pursuing and recovering liabilities for unfulfilled public commitments and other outstanding matters. When resignation of a director takes effect or his or her term of office expires, he or she shall duly carry out all handover procedures with the board of directors. His or her fiduciary duty to the Company and the shareholders shall not, as a matter of course, terminate at, and shall survive, the end of his or her term of office. The director's obligation to maintain the confidentiality of the Company's trade secrets shall survive the end of his or her term, until such secrets enter the public domain. The liability of a director arising from the performance of his/her duties while in office shall not be exempted or extinguished by reason of his ceasing to hold office.

Article 117 The shareholders' general meeting may resolve to dismiss a director and the dismissal shall take effect on the date the resolution is made. If a director is dismissed before the expiration of his/her term of office without a valid reason, the director may request the Company to compensate him/her.

Article 118 No director may act on behalf of the Company or the board of directors in his or her own name unless these Articles of Association specify that he or she may do so or he or she is lawfully authorized to do so by the board of directors. A director shall declare his position and capacity in advance if, when such director is acting in his or her private capacity, a third party would reasonably assume him or her to be acting on behalf of the Company or the board of directors.

Article 119 If a director performs the Company's duties and causes damage to others, the Company will be liable for compensation. The directors shall also be liable for compensation if they have acted willfully or with gross negligence.

A director who causes the Company to sustain a loss as a result of a violation of a law or a breach of these Articles of Association by him or her during the performance of his or her duties shall be liable for damages.

Article 120 A director who causes the Company to sustain a loss due to his or her unauthorized departure from office prior to the end of his or her term shall be liable for damages.

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

Section 2. Independent Non-Executive Directors

Article 121 The Company shall establish an independent non-executive director system. The term "independent non-executive director of the Company" means a director who does not hold any position in the Company other than director and who has no relationship with the Company or its major shareholder(s) (only provided under this Article that major shareholders are those shareholders individually or jointly holding more than 5% of total number of the Company's shares with voting rights) that could hinder his or her independent and objective judgments, and who is in compliance with independence provisions of the regulatory rules of the place where Company shares are listed. Three members of the board of directors of the Company shall be independent non-executive directors, constituting at least one-third of the members of the board of directors, of whom at least one shall be a financial or accounting professional.

The independent non-executive directors shall conscientiously perform their duties in accordance with relevant laws, administrative regulations, the regulations of the CSRC, the regulatory rules of the places where the Company's shares are listed and the Articles of Association, and shall play the roles of participation in decision-making, supervision, checks and balances and professional consultation in the board of directors, so as to safeguard the interests of the Company as a whole and to protect the lawful rights and interests of the small and medium-sized shareholders.

The term of office for independent non-executive directors shall be three years, and renewable upon reelection and re-appointment, but shall not exceed nine years, unless otherwise provided by relevant laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.

If an independent non-executive director fails to meet the conditions of independence or other circumstance arises which makes it inappropriate for him or her to perform his or her duties and responsibilities as an independent non-executive director, thereby causing the failure of the Company to meet the requirements of these Articles of Association concerning the number of independent non-executive directors, the Company shall make up the number of independent non-executive directors in accordance with regulations.

Article 122 Independent non-executive directors must be independent. The following persons are not permitted to serve as independent non-executive directors:

- (I) Persons working for the Company or its subsidiaries and their spouses, parents, children and major social relations;
- (II) Natural person shareholders who directly or indirectly hold more than one percent of the Company's outstanding shares or are among the Company's top ten shareholders, and their spouses, parents or children;
- (III) Shareholders who directly or indirectly hold more than five percent of the Company's outstanding shares or persons who work for the Company's top five shareholders, and their spouses, parents and children;
- (IV) Persons working in the subsidiaries of the Company's controlling shareholders and effective controllers, their spouses, parents and children;
- (V) Persons who have significant business dealings with the Company, its controlling shareholders, actual controllers or their respective subsidiaries, or who hold positions in entities with which they have significant business dealings, their controlling shareholders or actual controllers;
- (VI) Persons providing financial, legal, advisory and sponsorship services to the Company, its controlling shareholders, actual controllers or their respective subsidiaries, including but not limited to all the staff of the project team of the intermediary organization providing the services, the reviewers at all levels, the persons signing the report, partners, directors, senior management and principals in charge;
- (VII) An officer who has been involved in any of the circumstances listed in items 1 to 6 within the last twelve months;
- (VIII) Other officers who are not independent as stipulated in the laws, administrative regulations, the regulations of the CSRC, the regulatory rules of the place where the Company's shares are listed and these Articles of Association.

The independent non-executive directors shall conduct an annual self-examination of independence and submit the self-examination to the board of directors. The board of directors should assess and issue a specific opinion on the independence of the incumbent independent non-executive directors on an annual basis, which should be disclosed at the same time as the annual report.

Article 123 A person holding the position of independent non-executive director of the Company shall meet the conditions set forth below:

- (I) to be qualified for directors of a listed company as provided in laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and other relevant regulations;
- (II) comply with the independence as stipulated in the provisions of these Articles of Association;
- (III) to possess the basic knowledge of the operations of listed companies, and be familiar with relevant laws, administrative regulations, and rules and regulations;
- (IV) having at least five years of working experience indispensable for performing the duties as independent non-executive directors in legal, accounting or economic areas, or other experience indispensable for performing the duties as independent non-executive directors; and
- (V) possess good personal integrity and have no adverse records such as major breach of trust;
- (VI) other requirements provided in laws, administrative regulations, regulations of the CSRC, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 124 As members of the board of directors, the independent non-executive directors owe a duty of loyalty and diligence to the Company and all shareholders, and prudently fulfill the following duties:

- (I) participate in the decision-making of the board of directors and to express his/her opinion on the matters discussed;
- (II) supervision of potential material conflicts of interest between the Company and its controlling shareholders, actual controllers, directors and senior management, and protection of the legitimate rights and interests of small and medium-sized shareholders;
- (III) provide professional and objective advice on the Company's operation and development and promote the improvement of the decision-making level of the board of directors;
- (IV) other duties as stipulated by laws, administrative regulations, CSRC regulations, regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 125 The independent non-executive directors exercise the following special powers:

- (I) engage an independent intermediary organization to conduct audits, consultations or verifications on specific matters of the Company;
- (II) propose to the board of directors the convening of an extraordinary general meeting;
- (III) propose a meeting of the board of directors;
- (IV) openly solicit shareholders' rights from shareholders in accordance with laws;
- (V) expressing independent opinions on matters that may jeopardize the interests of the Company or small and medium-sized shareholders;

- (VI) other powers and duties as provided by laws, administrative regulations, the regulations of the CSRC, regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Any exercise by an independent non-executive director of the powers and duties listed in paragraphs 1 to 3 of the preceding paragraph shall be approved by a majority of all independent non-executive directors.

The Company will disclose in a timely manner when an independent non-executive director exercises the powers and duties listed in paragraph 1. The Company will disclose the specific circumstances and reasons if the above authority cannot be exercised properly.

Article 126 The following matters shall be submitted to the board of directors for consideration after they have been approved by a majority of all independent non-executive directors of the Company:

- (I) related party transactions that should be disclosed;
- (II) the Company's and related parties' plans to change or waive their commitments;
- (III) decisions made and measures taken by the board of directors of the acquired listed company in relation to the acquisition;
- (IV) other matters as stipulated by laws, administrative regulations, CSRC regulations and these Articles of Association.

Article 127 The Company has established a special meeting mechanism with the participation of all independent non-executive directors. Matters such as related party transactions that are considered by the board of directors are pre-approved by a special meeting of independent non-executive directors.

The Company convenes special meetings of independent non-executive directors on a regular or ad hoc basis. The matters set out in Article 125(1)(I) to (III) and Article 126 of the Articles of Association shall be considered by a special meeting of the independent non-executive directors.

Article 128 All matters not prescribed in this section for the independent non-executive director system shall be dealt with pursuant to relevant laws, administrative regulations, regulations of the CSRC and regulatory rules of the place where the Company's shares are listed.

Section 3. Board of Directors

Article 129 The board of directors shall be accountable to the shareholders' general meetings and exercise the following functions and powers:

- (I) to convene shareholders' general meetings and report its work to the shareholders' general meetings;
- (II) to implement the resolutions of the shareholders' general meetings;
- (III) to decide on the Company's business plans and investment plans;
- (IV) to formulate the Company's profit distribution plan and the plan for making up losses;

- (V) to formulate proposals for the increase or reduction of the Company's registered capital and the issuance of shares, debentures or other securities and the listing project of the Company;
- (VI) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company;
- (VII) To the extent authorized by the shareholders' general meeting, to decide on such matters as the Company's investments in third parties, purchase and sale of assets, asset mortgages, the provision of security for third parties, entrustment of financial services, related party transactions, banking facilities, loans (including but not limited to working capital loans, commercial bank acceptance, letter of guarantee, and letter of credit), etc., except those required to be considered by the shareholders' general meeting in accordance with the relevant laws and regulations and the Articles of Association;
- (VIII) to determine on the establishment of the Company's internal management bodies;
- (IX) to decide to engage or dismiss the Company's president and secretary to the board of directors; to engage or dismiss such senior management members as vice president, head of Financial Management Department and etc, as proposed by the president, and deciding on matters relating to their remuneration, rewards and punishments;
- (X) to formulate the basic management systems of the Company;
- (XI) to formulate proposals for amendments to the Articles of Association;
- (XII) to manage the information disclosure of the Company;
- (XIII) to propose to the shareholders' general meeting the appointment, or replacement of an accounting firm performing audit for the Company;
- (XIV) to listen to the work reports of the Company's president and inspect his or her work;
- (XV) to decide the establishment of special committees and their compositions;
- (XVI) to exercise other functions and powers conferred by the laws, regulations and the regulatory rules of the place on which the shares of the Company are listed, at shareholders' general meetings and these Articles.

Resolutions relating to the above, with the exception of items (V), (VI) and (XI) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.

Article 130 The board of directors shall also be responsible for the followings:

- (I) to implement, review and improve the corporate governance system and condition of the Company;
- (II) to review and supervise the training and continuing professional development of directors and senior management members;
- (III) to review and supervise the compliance of the Company's policies with laws and relevant regulations of the securities regulatory authority where the shares are listed and to make the relevant disclosure;
- (IV) to formulate, review and supervise the code of conduct and relevant compliance manual of employees and directors.

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

Article 131 The board of directors shall give explanations to the shareholders' general meeting in respect of audit reports with non-standard audit opinions issued by certified public accountants in respect of financial reports of the Company.

Article 132 The board of directors shall formulate the rules of procedures of meetings of the board of directors to ensure the implementation of the resolutions of the shareholders' general meeting, its work efficiently and decision making in proper manner. The rules of procedures shall be formulated by the board of directors and approved at the shareholders' general meetings.

Article 133 The board of directors shall determine the authority for external investment, acquisition and disposal of assets, pledge of assets, external guarantee matters, entrustment of finance, related party transactions and external donations, and establish strict review and decision-making procedures. Major investment projects shall be assessed by relevant experts and professionals and reported to the shareholders' general meeting for approval.

Article 134 The chairman of the board of directors shall exercise the following functions and powers:

- (I) to preside over shareholders' general meetings, to convene and preside over meetings of the board of directors;
- (II) to supervise and check on the implementation of the resolutions of the shareholders' general meetings and the board of directors;
- (III) to sign the significant documents of the board of directors;
- (IV) to sign the share certificates, corporate bonds and other marketable securities of the Company;

- (V) to exercise special powers of discretion and disposal regarding the Company's affairs in compliance with the laws and regulations and in the interests of the Company in the event of emergency caused by force majeure such as wars and natural disasters, and to report to the board of directors and shareholders' general meetings after exercising such powers;
- (VI) to receive the work reports of the president, other senior management members of the Company and the persons-in-charge of the invested enterprises of the Company;
- (VII) to exercise other functions and powers conferred by the law, regulations, Articles of Association or the board of directors.

Article 135 The vice chairman shall assist the chairman in work. If the chairman of the board of directors is unable to perform his or her duties or fails to perform his or her duties, his or her duties shall be performed by the vice chairman of the board of directors as entrusted by the chairman of the board of directors; if the vice chairman of the board of directors is unable or fails to perform these duties, a director elected by at least one half of the directors shall perform such duties on his or her behalf.

Article 136 Meetings of the board of directors are divided into regular meetings and interim meetings. The board of directors shall hold at least four regular meetings each year. Meetings shall be convened by the chairman of the board of directors.

Article 137 Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors or the Audit Committee may propose to convene an extraordinary meeting of the board of directors. The chairman shall convene and preside at a meeting of the board of directors within ten days from the date of receipt of the proposal.

Article 138 The notice of meetings of the board of directors shall be served to all directors, supervisors, the president and the secretary to the board of directors by means of hand, mail or facsimile 14 days before the date of the meeting (for regular meetings) or by means of written notice five days before the date of the meeting (for extraordinary meetings).

If an extraordinary meeting of the board of directors needs to be held as soon as possible due to urgent circumstances, a meeting notice may be given at any time by telephone or other oral method, provided that the convener gives an explanation thereof at the meeting and the same is entered into the meeting minutes.

Article 139 A notice of a meeting of the board of directors shall include the following particulars:

- (I) the date and venue of the meeting;
- (II) the duration of the meeting;
- (III) the reasons for holding the meeting and the topics to be discussed thereat;
- (IV) the date of issuance of the notice;
- (V) the mode of meeting.

A notice given orally shall, at minimum, include the particulars set forth in items (I) and (V) above and an explanation to the effect that circumstances are urgent and an interim meeting of the board of directors needs to be held as soon as possible.

Article 140 Meetings of the board of directors may be held only if a majority of the directors are present.

Voting on the resolutions of the board of directors shall be on a one-person-one-vote basis.

Article 141 Votes at meetings of the board of directors held in person (including meetings held by video conference) shall be held by disclosed ballot. If a director attends a meeting held in person by telephone conference or by way of other such communication equipment, so long as the directors attending the meeting in person can clearly hear what he or she says and communicate with him or her, all the directors in attendance shall be deemed to have attended the meeting in person. Subject to ensuring the full expression by the directors of their opinions at a meeting of the board of directors, votes may be held and resolutions may be adopted by means of correspondence, and such resolutions shall be signed by the directors in attendance, but a regular meeting of the board of directors, a meeting at which a major shareholder (for the purpose of this section only, major shareholders refer to shareholders who individually or jointly hold more than 10% of total voting shares of the Company) or a director has a conflict of interest in a matter to be considered which the board of directors has determined to be material and a meeting held to discuss the appointment and dismissal of the secretary to the board of directors shall not be held by means of correspondence. A deadline shall be set for votes held by means of correspondence, and if a director fails to express his or her opinion by the specified deadline, he or she shall be deemed to abstain.

For a motion considered and passed at a meeting of the board of directors and adopted as the corresponding resolution, more than half of all of the Company's directors must cast an affirmative vote therefor. If laws or these Articles of Association require the consent of a larger number of directors for the adoption of a resolution, such provisions shall prevail.

In the event of a conflict between the content and import of different resolutions, the resolution adopted the later in time shall prevail.

Article 142 If a director has a related (connected) relationship with an enterprise involved in a matter on which a resolution is to be made at a meeting of the board of directors, he or she may not exercise his or her right to vote regarding such resolution, nor may he or she exercise the voting right of another director as such director's proxy thereon. Such a meeting of the board of directors may be held only if more than one half of the directors without a related (connected) relationship are present, and the resolutions made at such a meeting of the board of directors shall require adoption by more than one half of the directors without a related (connected) relationship. If the meeting of the board of directors is attended by less than three directors without a related (connected) relationship, the matter shall be submitted to the shareholders' general meeting for consideration.

The definition and scope of connected director are subject to regulatory rules of the place where the shares of the Company are listed.

Article 143 Meetings of the board of directors should be attended by the directors themselves. If a director is unable to attend for any reason, he/she may appoint another director in writing to attend on his/her behalf. The appointment letter shall state the name of the proxy, the matters for which he/she is acting, the scope of his/her authorization and the validity period, and shall be signed or sealed by the proxy. A director attending a meeting in his/her place shall exercise the rights of a director to the extent authorized. A Director who fails to attend a meeting of the board of directors, and who fails to appoint a proxy, is deemed to have abstained from voting at that meeting.

Independent non-executive directors should attend meetings of the board of directors in person. If he/she is unable to attend the meeting in person for any reason, the independent non-executive director shall review the meeting materials in advance, form a clear opinion and appoint in writing other independent non-executive directors to attend the meeting on his/her behalf.

Article 144 The board of directors shall keep minutes of its decisions on the matters considered at its meetings. The directors attending a meeting and the person taking the minutes shall sign the minutes of the meeting. The minutes of the board of directors shall be kept for a period of ten years.

Article 145 The minutes of meetings of the board of directors shall consist of the following:

- (I) the date and venue for the convention of meeting and name of person summoning the meeting;
- (II) the name of the director present and name of director (proxy) being appointed to attend on the other's behalf;
- (III) the agenda;
- (IV) the main point of director's speech;
- (V) the method of voting and the result (the result shall state the number of votes for, against or abstention) of each resolution.

Section 4 Special Committee of the Board of Directors

Article 146 The board of directors of the Company has established the Audit Committee to exercise the powers and functions of the Supervisory Committee as stipulated in the Company Law.

Article 147 The Audit Committee shall consist of not less than three members who are all non-executive directors, of whom a majority shall be independent non-executive directors and shall be chaired by an accounting professional who is an independent non-executive director.

Article 148 The Audit Committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external audits and internal controls. The following matters shall be submitted to the board of directors for consideration after being approved by a majority of all members of the Audit Committee:

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

- (II) Employment or dismissal of accounting firms that undertake audits of listed companies;
- (III) Appointment or dismissal of the financial controller of a listed company;
- (IV) Changes in accounting policies, accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;
- (V) Other matters as stipulated by laws, administrative regulations, the regulations of the CSRC, the regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 149 The Audit Committee meets at least once a quarter.

An interim meeting may be convened upon the proposal of two or more members or when the chairman deems it necessary. Meetings of the Audit Committee shall be held only when two-thirds of the members are present.

Resolutions of the Audit Committee shall be adopted by a majority of the members of the Audit Committee.

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

Resolutions of the Audit Committee shall be recorded in the minutes of the meeting as required and the members of the Audit Committee present at the meeting shall sign the minutes of the meeting.

The board of directors shall be responsible for establishing the terms of reference of the Audit Committee.

Article 150 The board of directors of the Company shall set up other special committees, such as the Strategic Committee, Nomination Committee and Remuneration and Appraisal Committee, to perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposals of the special committees shall be submitted to the board of directors for deliberation and decision. The board of directors shall be responsible for establishing the terms of reference of the special committees.

Article 151 The Nomination Committee shall consist of not less than three members, of whom a majority shall be independent non-executive directors, and shall be chaired by an independent non-executive director. The Nomination Committee is responsible for drawing up criteria and procedures for the selection of directors and senior management, selecting and reviewing the selection of directors and senior management and their qualifications for appointment, and making recommendations to the board of directors on the following matters:

- (I) Nominate or remove directors;
- (II) Appointment or dismissal of senior management;
- (III) Other matters as stipulated by laws, administrative regulations, the regulations of the CSRC, the regulatory rules of the place where the Company's shares are listed and these Articles of Association.

If the board of directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record and disclose the opinion of the Nomination Committee and the specific reasons for non-adoption in the resolution of the board of directors.

Article 152 The Remuneration and Appraisal Committee shall consist of not less than three members, of whom a majority shall be independent non-executive directors, and shall be chaired by an independent non-executive director. It is responsible for formulating assessment standards for and conducting appraisals of directors and senior management, formulating and reviewing remuneration policies and programs such as the mechanism for determining the remuneration of directors and senior management, the decision-making process, and the arrangements for payment and stoppage of recourse, and making recommendations to the board of directors in respect of the following matters:

- (I) Remuneration of directors and senior management;
- (II) The establishment or change of the share incentive plan and employee share ownership plan, the granting of rights and benefits to the target group and the achievement of the conditions for the exercise of rights and benefits;
- (III) Arrangement of shareholding plans for directors and senior management in the subsidiaries to be spun off;
- (IV) Other matters as stipulated by laws, administrative regulations, the regulations of the CSRC, the regulatory rules of the place where the Company's shares are listed and these Articles of Association.

If the board of directors does not adopt or does not fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record and disclose the opinion of the Remuneration and Appraisal Committee and the specific reasons for non-adoption in the resolution of the board of directors.

Article 153 The Strategic Committee shall consist of not less than three members and shall be chaired by the chairman of the Company which is responsible for advising or making recommendations to the board of directors in relation to the decisions of the board of directors and making recommendations to the board of directors on the following matters:

- (I) To study and make recommendations on the Company's medium and long-term development strategies and master plans;
- (II) To study and make recommendations on the Company's industrial restructuring, major assets and business reorganization plans;
- (III) To study and make recommendations on investment and financing plans which are required by these Articles of Association to be approved by the board of directors;
- (IV) To study and make recommendations on major capital operations, major external investments and asset management projects that are required to be approved by the board of directors under these Articles of Association;
- (V) To study and make recommendations on the Company's environmental, social and governance policies, strategies and reports that require approval by the board of directors;
- (VI) To examine and evaluate the implementation of the above matters and make timely recommendations for adjustments;
- (VII) Other matters as stipulated by laws, administrative regulations, CSRC regulations and these Articles of Association.

CHAPTER 9. SENIOR MANAGEMENT MEMBERS

Article 154 The Company shall have a president and several vice president, all of whom shall be appointed or dismissed by the board of directors.

The president and vice president shall serve terms of three years and may serve consecutive terms if reappointed. A director may concurrently serve as the president or vice president. However, the chairman of the board of directors may not concurrently serve as the president.

Article 155 The provisions of these Articles of Association regarding the circumstances under which a person may not serve as a director and the system for managing the termination of his or her office shall also apply to senior management.

The provisions of these Articles of Association relating to the duties of loyalty and diligence of directors shall also apply to senior management.

Article 156 Persons who hold any administrative position other than that of director and supervisor with the Company's Controlling Shareholder or Actual Controller may not serve in senior management members positions of the Company.

Senior management members of the Company are remunerated only by the Company and are not paid by the controlling shareholders on their behalf

Article 157 The president shall be accountable to the board of directors and exercise the following functions and powers:

- (I) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the board of directors, and to report on his or her work to the board of directors;
- (II) to arrange for the implementation of the Company's annual business plans and investment plans;
- (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 basic rules and regulations of the Company;
- (VI) to request the board of directors to engage or dismiss the Company's vice president and head of the Financial Management Department;
- (VII) to engage or dismiss management personnel other than those to be engaged or dismissed by the board of directors;
- (VIII) to propose the holding of interim meetings of the board of directors;

- (IX) to decide on matters including the investment, financing, contract, transaction of the Company as authorized by these Articles of Association or the board of directors; and
- (X) other duties conferred by the Articles of Association or the board of directors. The president shall present meetings of the board of directors.

Article 158 The president shall formulate Detailed Rules for the Work of the President and implement the same after obtaining approval of the board of directors.

Article 159 The Detailed Rules for the Work of the President shall cover the following:

- (I) the conditions and procedures for the holding of meetings by the president, and the attendees thereof;
- (II) the respective specific duties and responsibilities of, and the division of work between, the president and the other senior management members;
- (III) the authority to apply Company funds and assets and execute material contracts, and the system for reporting to the board of directors; and
- (IV) other matters considered necessary by the board of directors.

Article 160 The president may tender his or her resignation before the expiry of his or her term of office. The specific procedure and method for resignation of the president shall be provided for in the engagement contract between the president and the Company.

Article 161 The Company has a secretary of the board of directors, who is responsible for the preparation of the Company's shareholders' general meetings and board of directors' meetings, the custody of documents and the management of the Company's shareholders' information, as well as the handling of information disclosure affairs.

The secretary of the board of directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules and these Articles of Association.

Article 162 The Company shall be liable for any damages caused to others by senior management in the performance of their duties for the Company. The senior management shall also be liable for damages if there is willful intent or gross negligence on the part of the senior management.

Senior management shall be liable for compensation for any loss caused to the Company in the event of violation of laws, administrative regulations, departmental rules or the provisions of these Articles of Association in the performance of their duties with the Company.

Article 163 The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

Senior management of the Company shall be liable for compensation in accordance with laws for any damage caused to the interests of the Company and public shareholders as a result of their failure to faithfully perform their duties or breach of the duty of good faith.

CHAPTER 10. FINANCIAL AND ACCOUNTING SYSTEMS, DISTRIBUTION OF PROFITS AND AUDIT

Article 164 The Company shall formulate its financial and accounting systems in accordance with the PRC laws and the PRC accounting standards formulated by relevant state authorities.

Article 165 The Company shall submit and disclose an annual report to the stock exchange where the Company's shares are listed within four months from the end of each fiscal year and an interim report to the stock exchange where the Company's shares are listed within two months from the end of the first half of each fiscal year.

The aforesaid annual report and interim report shall be prepared in accordance with the relevant laws and administrative regulations, as well as the regulations of the CSRC and the requirements of the regulatory rules of the place where the Company's shares are listed.

Article 166 The board of directors of the Company shall submit the shareholders at each annual general meeting such financial reports as relevant laws, administrative regulations, the regulations of the CSRC and the regulatory rules of the place where the Company's shares are listed require the Company to prepare.

Article 167 The financial reports of the Company shall be made available for inspection by shareholders 20 days prior to an annual general meeting. Each shareholder of the Company shall have the right to obtain a copy of the financial reports referred to in this Chapter.

The Company shall send the above report or the report of the board of directors together with the balance sheet (including all annexes to the balance sheet as prescribed by the applicable laws), profit and loss account or income and expenditure statement, or summary financial report to each overseas-listed foreign shareholders in a manner approved by regulatory rules of the place where the Company's shares are listed at least 21 days before the convening of the annual general meeting.

Article 168 The Company shall not keep books of account other than those provided by law. Any funds of the Company shall not be kept under any account opened in the name of any individual.

Article 169 When the Company distributes its after-tax profits for a given year, it shall allocate 10 percent of profits to its statutory reserve.

The Company shall no longer be required to make allocations to its statutory reserve once the aggregate amount of such reserve reaches at least 50 percent of its registered capital.

If the Company's statutory reserve is insufficient to make up losses from previous years, the Company shall use its profits from the current year to make up such losses before making the allocation to its statutory reserve in accordance with the preceding paragraph.

After making the allocation from its after-tax profits to its statutory reserve, the Company may, subject to a resolution of the shareholders' general meeting, make an allocation from its after-tax profits to the discretionary reserve.

After the Company has made up its losses and made allocations to its reserves, the remaining profits of the Company shall be distributed in proportion to the shareholdings of its shareholders, unless these Articles of Association provide that distributions are to be made otherwise than proportionally.

If the shareholders' general meeting breaches the Company Law by distributing profits to shareholders, the shareholders shall return to the Company the profits that were distributed in breach of the said provisions. If the Company suffers losses, the shareholders and responsible directors and senior management shall be liable for compensation.

Shares of the Company that are held by the Company itself shall not participate in the distribution of profits.

Article 170 The Company's cash dividend policy objective is to stabilize dividend growth.

The Company may not distribute profits when one of the following circumstances exists:

- (I) The audit report for the most recent year was either unqualified or unqualified with a material uncertainty paragraph relating to going concern;
- (II) The Company's gearing ratio at the end of the most recent fiscal year is greater than 70%;
- (III) The Company's operating cash flow for the most recent fiscal year was negative;
- (IV) Other circumstances that the Company deems inappropriate for profit distribution.

Article 171 The Company's reserves shall be used to make up the Company's losses, to expand the Company's production and operations or, through conversion into capital, to increase the Company's registered capital.

To cover the Company's losses, the reserve should first be utilized as a discretionary reserve and legal reserve; if the losses still cannot be covered, the capital reserve may be utilized in accordance with the regulations.

When funds in the statutory reserve are converted into capital, the funds remaining in such reserve will not be less than 25 percent of the Company's registered capital before the conversion.

Article 172 The Company may distribute dividends in either of the following manners (or both of them):

- (I) cash;
- (II) share certificates.

Article 173 Any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.

Article 174 The Company shall appoint receiving agents for holders of overseas listed foreign investment shares to collect on behalf of the relevant shareholders the dividends distributed and other moneys payable in respect of overseas listed foreign investment shares, and hold the same until they can be paid to the relevant shareholders.

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

The receiving agents appointed by the Company for the holders of overseas listed foreign investment shares listed on the SEHK shall be trust companies registered under the Trustee Ordinance of Hong Kong.

Subject to the laws of the PRC, the Company may exercise the power to forfeit unclaimed dividends, provided that it does so only after the expiration of the applicable relevant period.

The Company has the power to cease sending dividend warrants by post to a given holder of overseas listed foreign investment shares, but may exercise such power only if such warrants have been left uncashed on two consecutive occasions. However, the Company may exercise such power after the first occasion on which such a warrant is returned undelivered.

The Company has the power to sell by a method deemed fit by the general meeting the shares of a holder of overseas listed foreign investment shares who is untraceable, provided that it complies with the following conditions:

- (I) the Company was, during a period of 12 years, required to pay at least three dividends in respect of the shares in question but no dividend during that period was claimed; and
- (II) on expiry of the 12 years the Company gives notice of its intention to sell the shares by way of an announcement published in one or more newspapers in the place where the Company is listed and notifies the securities regulator of the place where its shares are listed of such intention.

Article 175 After the Company's shareholders' general meeting has passed a resolution on the profit distribution plan, the Company's board of directors must complete the dividend (or share) distribution within two months after the shareholders' general meeting.

Article 176 Cash dividends and other payments by the Company to holders of domestic investment shares shall be distributed and paid in Renminbi, whereas those to holders of overseas listed foreign investment shares shall be denominated and declared in Renminbi and paid in foreign currency. The foreign currency for the cash dividends and other payments by the Company to holders of overseas listed foreign investment shares and other holders of foreign investment shares shall be handled in accordance with state regulations on foreign exchange control.

Article 177 When distributing dividends to shareholders, the Company shall withhold and turn over the tax payable on the dividend income of shareholders based on the amount distributed and in accordance with PRC tax laws.

Article 178 The Company shall implement an internal auditing system, which specifies the leadership system, duties and responsibilities, staffing, financial security, utilization of audit results and accountability for internal audit work, etc.

The internal audit system of the Company is implemented after approval by the board of directors.

Article 179 The Company's internal audit organization conducts supervision and inspection of the Company's business activities, risk management, internal control and financial information, etc.

Article 180 The internal audit organization is accountable to the board of directors.

The internal audit organization shall be subject to the supervision and guidance of the Audit Committee in the course of its supervision and inspection of the Company's business activities, risk management, internal control and financial information. If the internal audit organization discovers any significant problems or clues, they shall be immediately reported directly to the Audit Committee.

Article 181 The internal audit institution is responsible for the organization and implementation of the Company's internal control evaluation. The Company issues an annual internal control evaluation report based on the evaluation report and related information issued by the internal audit organization and reviewed by the Audit Committee.

Article 182 When the Audit Committee communicates with external audit units such as accounting firms and national audit organizations, the internal audit organization shall actively cooperate and provide necessary support and collaboration.

Article 183 The Audit Committee participates in the evaluation of the person in charge of internal audit.

CHAPTER 11. ENGAGEMENT OF ACCOUNTING FIRMS

Article 184 The Company employs an accounting firm that meets the requirements of the Securities Law to perform services such as auditing of accounting statements, verification of net assets and other related advisory services for a period of one year (from the date of the decision on the appointment at the current annual general meeting to the end of the next annual general meeting), with the possibility of renewal.

Article 185 The engagement and dismissal of an accounting firm engaged by the Company shall be decided by the shareholders' general meeting.

The board of directors shall not appoint an accounting firm before the decision of the shareholders' general meeting.

Article 186 The Company guarantees to provide true and complete accounting certificates, accounting books, financial accounting reports and other accounting information to the retained accounting firm and shall not refuse, conceal or misrepresent them.

Article 187 The audit fees of an accounting firm shall be decided upon by the shareholders' general meeting.

Article 188 When the Company dismisses or does not renew the engagement of an accounting firm, it shall give advance notice to the accounting firm. The accounting firm shall have the right to present its views before the shareholders' general meeting. Where the accounting firm resigns from its post, it shall make clear to the shareholders' general meeting whether there has been any impropriety on the part of the Company.

CHAPTER 12. INFORMATION DISCLOSURE

Article 189 The board of directors of the Company shall formulate the criteria, method, means, etc. for the disclosure of information and establish and enhance the Company's information disclosure system in accordance with laws, relevant regulations of the securities regulator of the place where Company shares are listed and relevant provisions of these Articles of Association.

Article 190 The Company shall compliantly disclose information in accordance with the principles of truthfulness, accuracy, completeness and timeliness.

CHAPTER 13. MERGER, DIVISION, DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 191 A merger of companies can take the form of a merger by absorption or a merger by creation.

A company absorbs another company as a merger by absorption and the absorbed company is dissolved. The merger of two or more companies to form a new company is a merger by creation and the merging parties are dissolved.

Article 192 If the price to be paid by the Company for the merger does not exceed ten percent of the Company's net assets, a resolution of the shareholders' general meeting may be dispensed with, unless otherwise provided for in these Articles of Association.

If a merger of the Company pursuant to the preceding paragraph is not resolved by the shareholders' general meeting, it shall be resolved by the board of directors.

Article 193 If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a property list. Within 10 days from the date of adoption of the merger resolution, the Company shall notify its creditors and within 30 days it shall make an announcement in the newspapers designated by the CSRC, on its website and on the website of the stock exchange or the National Enterprise Credit Information Publication System. A creditor may, within 30 days from the date of receipt of the written notice or, if he did not receive a written notice, within 45 days from the date of the announcement, require the Company to pay its debt to him in full or to provide commensurate security.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

Article 194 If the Company is divided, its property shall be divided accordingly.

When the Company is divided, it shall prepare a balance sheet and a property list. Within 10 days from the date of adoption of the resolution on the division, the Company shall notify its creditors and within 30 days it shall make an announcement in the newspapers designated by the CSRC, on its website and on the website of the stock exchange or the National Enterprise Credit Information Publication System.

The surviving companies shall be jointly liable for the pre-division debts of the Company, unless provided otherwise in a written agreement on debt repayment reached between the Company and a creditor prior to the division.

Article 195 If a change occurs in the Company's registered particulars due to its merger or division, the change shall be registered with the Company's registrar in accordance with the law. If the Company is dissolved, de-registration of the Company shall be carried out in accordance with the law. If a new company is established, registration of the establishment of such company shall be carried out in accordance with the law.

If the Company increases or decreases its registered capital, it shall apply for change registration with the Company's registration authority in accordance with laws.

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

- (I) The expiration of the term of business provided for in these Articles of Association or the occurrence of other causes of dissolution provided for in these Articles of Association;
- (II) the shareholders' general meeting resolves to dissolve the Company;
- (III) dissolution is necessary as a result of the merger or dissolution of the Company;
- (IV) the Company has its business license revoked, is ordered to close down or is shut down in accordance with the law;
- (V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10 percent of all shareholders' voting rights may petition a People's Court to dissolve the Company.

If the Company is dissolved for any of the reasons set forth in the preceding paragraph, it shall, within ten days, make public the reasons for dissolution through the National Enterprise Credit Information Publication System.

Article 197 If the Company has any of the circumstances in items (1) and (2) of the preceding Article and has not yet distributed its property to its shareholders, it may survive by amending these Articles of Association or by resolution of the shareholders' general meeting.

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

Article 198 If the Company is dissolved pursuant to item (I), (II), (IV) or (V) of Article 196 of the Articles of Association, it shall be liquidated. The Directors shall be the liquidation obligors of the Company and shall establish a liquidation committee and liquidation shall conduct within 15 days from the date on which the cause for dissolution arose. The liquidation committee shall be composed of the directors, unless otherwise provided for in these Articles of Association or unless the shareholders' general meeting resolves to elect another person.

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

Article 199 The liquidation committee shall notify creditors within a period of 10 days from the date of its establishment and make announcements on the newspapers or the National Enterprise Credit Information Publication System within 60 days. Claims shall be registered by the liquidation committee.

Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement.

When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation committee shall register the claims.

During the claim declaration period, the liquidation committee shall not pay any debts to creditors.

Article 200 The liquidation committee shall exercise the following functions and powers during liquidation:

- (I) to liquidate the Company's property, and to prepare a balance sheet and property list;
- (II) to notify creditors by notice and public announcement;
- (III) to dispose of unfinished business of the Company relating to the liquidation;
- (IV) to make full payment of taxes owed and of taxes incurred during the liquidation process;
- (V) to liquidate claims and debts;
- (VI) to distribute the Company's property remaining after the debts are paid in full; and
- (VII) to represent the Company in civil proceedings.

Article 201 After the liquidation committee has liquidated the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the shareholders' general meeting or the People's Court for confirmation.

The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company's debts shall be distributed by the Company to the shareholders in proportion to the shares they hold.

During liquidation, the Company shall continue to exist but may not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

Article 202 If the liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the People's Court for bankruptcy and liquidation.

After the People's Court accepts the bankrupt petition, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator appointed by the People's Court.

Article 203 Following completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, submit the same to the shareholders' general meeting or the People's Court for confirmation. Within 30 days from the date of confirmation of the aforementioned documents by the shareholders' general meeting or the People's Court, the liquidation committee shall submit the same to the company registrar, apply for cancellation of the Company's registration and publicly announce the Company's termination.

Article 204 The members of the liquidation committee are under an obligation of loyalty and diligence in the performance of their duties in the liquidation.

If members of the liquidation committee neglects to perform their duties in the liquidation and causes losses to the Company, they shall be liable for compensation. If the Company or a creditor sustains a loss due to a willful act or gross negligence on the part of a member of the liquidation committee, such liquidation committee member shall be liable for damages.

CHAPTER 14. AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION

Article 205 The Company may amend these Articles of Association in accordance with laws and these Articles of Association. The Company will amend the Articles of Association if:

- (I) provisions of the Articles of Association conflict with the Company Law or related laws after such laws are amended;
- (II) a change occurs in the Company's situation and such change is inconsistent with the matters stated herein; or
- (III) the shareholders' general meeting decides to amend the Articles of Association.

Article 206 Except as otherwise provided in these Articles of Association, these Articles of Association shall be amended by the following procedure:

- (I) the board of directors adopts a resolution in accordance with these Articles of Association and drafts the amendments, or a shareholder puts forward a motion to amend the Articles of Association;
- (II) the shareholders are notified of the amendments and a shareholders' general meeting is convened to vote thereon;
- (III) the amendments submitted to the shareholders' general meeting for a vote shall be adopted by a special resolution.

The board of directors shall amend these Articles of Association in accordance with the resolution of the shareholders' general meeting to amend the Articles of Association and the approval of the relevant competent authorities.

Any amendment to the Articles of Association shall be announced in accordance with the laws and regulations requiring disclosure of such information.

Article 207 If the amendments to the Articles of Association resolved by the shareholders' general meeting should be subject to the approval of the competent authorities, they shall be reported to the competent authorities for approval; and if they involve matters relating to the registration of the Company, the changes shall be registered in accordance with the law.

CHAPTER 15. NOTICES AND ANNOUNCEMENTS

Article 208 Notices (for the purposes of this Chapter, the term "notice" includes Company communications and other written materials) of the Company shall be given or provided by one or more of the following means:

- (I) by hand;
- (II) by mail;
- (III) by such electronic means as e-mail, fax, etc. or on information media;
- (IV) by way of a public announcement;
- (V) other ways as recognized by the securities regulatory authorities of the place where the Company is listed or as required by these Articles of Association.

Unless otherwise specified in these Articles, if a notice is issued by the Company to the shareholders of overseas listed foreign investment shares by way of announcement, the Company shall on the same day submit an electronic version of such announcement to the SEHK through the electronic publishing system of the SEHK for immediate release on the website of the SEHK in accordance with the requirements of the local listing rules. Such announcement shall also be published on the website of the Company at the same time.

Holders of the Company's overseas listed foreign investment shares may elect to receive printed copies of corporate communication, and may also elect to receive either the Chinese or English version only, or both the Chinese and English versions. Such holders shall have the right to change their choices as to the manner of receiving and the language versions of the aforesaid information by giving a notice to the Company in advance within a reasonable period in accordance with applicable procedures.

Article 209 For a Company notice given by hand, the person on whom it is served shall sign on (or affix his or her seal to) the note of receipt, and the date on which he or she signed in receipt shall be the date of service.

For a Company notice given by mail, the date of service shall be 48 hours from the date of consignment to the post office.

For a Company notice given by fax, e-mail or publication on a website, the date on which such notice is dispatched shall be the date of service.

For a Company notice given by way of a public announcement, the first day of publication shall be the date of service. Such announcement shall be published in a newspaper or periodical that satisfies relevant regulations or given by the method set forth in Article 208 of these Articles of Association.

The accidental omission to send notice of a meeting to, or the non-receipt of notice of a meeting by, a person entitled to notice shall not invalidate the meeting and the resolutions passed at the meeting.

Article 210 If the listing rules in the place of listing require the Company to send, mail, issue, dispatch, publish or otherwise provide relevant Company documents in both English and Chinese versions, the Company may, to the extent permitted by laws and regulations and in accordance with applicable laws and regulations, (if a shareholder has so indicated) only send him or her the English versions or Chinese versions of documents if the Company has made sufficient arrangements to ascertain whether its shareholders wish to only receive English versions or Chinese versions of documents.

CHAPTER 16. SUPPLEMENTARY PROVISIONS

Article 211 For the purposes of these Articles of Association, the term “accounting firm” shall have the same meaning as the term “auditor” used in the SEHK Listing Rules.

Article 212 These Articles of Association are written in Chinese. In the event that there is a discrepancy between any other language version or different version hereof and these Articles of Association, the most recent Chinese version hereof registered with the company registration authority shall prevail. In case of any inconsistency between the Chinese version and other versions, the Chinese version shall prevail.

Article 213 Unless otherwise required by the context, the following terms used in these Articles of Association shall have the meanings assigned to them below:

- (I) “controlling shareholder” means a person that satisfies any of the following conditions:
 - (i) he or she, acting alone or in concert with others, has the power to elect at least one half of the directors;
 - (ii) he or she, acting alone or in concert with others, has the power to exercise or to control the exercise of at least 30 percent of the Company’s voting rights;
 - (iii) he or she, acting alone or in concert with others, holds at least 30 percent of the outstanding shares of the Company; or
 - (iv) he or she, acting alone or in concert with others, actually controls the Company in any other manner;
- (II) “acting in concert” means action taken by two or more persons pursuant to an agreement (whether oral or written) to obtain or consolidate control of the Company through the acquisition by any of them of voting rights of the Company;
- (III) “actual controller” means a natural person, legal entity or other organization that has the ability to effectively control the Company’s behavior through an investment relationship, agreement or other arrangement.

- (IV) “related relationship” means the relationship between the Company’s controlling shareholder, actual controller, a director or senior officer on the one hand and an enterprise he or she directly or indirectly controls on the other hand, as well as any other relationship that may result in a diversion of the Company’s interests; however, enterprises controlled by the state shall not be deemed to have a related relationship merely by virtue of the fact that such enterprises are under the common control of the state.

Article 214 Unless otherwise provided in these Articles of Association, for the purposes of these Articles of Association, the terms “at least”, “within” and “not more than” shall include the number itself; and the terms “less than”, “lower than”, “other than”, “more than”, “over”, “exceed”, “before” and “after” shall not include the number itself.

Article 215 The board of directors is responsible for explaining these Articles of Association.