中国南方航空股份有限公司
CHINA SOUTHERN AIRLINES COMPANY LIMITED
(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1055)

Articles of Association of
China Southern Airlines Company Limited

（The Articles of Association was originally drafted in Chinese and the English translation is for your reference only. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.）

Articles of Association of
China Southern Airlines Company Limited

(These Articles of Association were approved by special resolutions at the extraordinary general meetings held on 18 April 1997 and 22 May 1997. They were successively amended at the annual general meetings held on 15 June 1998 and 15 June 1999, the extraordinary general meetings held on 26 March 2002 and 21 May 2002, and the annual general meeting held on 13 May 2003. They were further amended at the board meeting pursuant to the authorization of the shareholders' general meeting on 17 July 2003, the annual general meetings held on 16 June 2004 and 15 June 2005, the extraordinary general meetings held on 28 December 2006, the annual general meeting held on 28 June 2007, the annual general meeting held on 25 June 2008, the extraordinary general meeting held on 29 December 2008, the extraordinary general meeting held on 26 February 2009, the annual general meeting held on 30 June 2009， the extraordinary general meeting held on 30 April 2010, the annual general meeting held on 31 May 2012, the extraordinary general meeting held on 24 January 2013, the extraordinary general meeting held on 26 December 2013, the annual general meeting held on 27 May 2016, the extraordinary general meeting held on 8 November 2017, the annual general meeting held on 15 June 2018, the extraordinary general meeting held on 27 December 2019 , the annual general meeting held on 30 June 2020, the extraordinary general meeting held on 30 April 2021, the extraordinary general meeting held on 28 December 2021, the annual general meeting held on 30 June 2022, the board meeting pursuant to the authorization of the shareholders' general meeting on 28 November 2022, the extraordinary general meeting held on 19 May 2023, the extraordinary general meeting held on 29 July 2024, the extraordinary general meeting held on 12 December 2025 and the board meeting pursuant to the authorization of the shareholders' general meeting on 30 October 2026)

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Articles of Association are formulated in accordance with "The Company Law of the People's Republic of China" (hereinafter referred to as the "Company Law"), "The Securities Law of the People's Republic of China" (hereinafter referred to as the "Securities Law") and other relevant provisions of laws, regulations and normative documents, with an aim to protect the legitimate rights and interests of the Company and its shareholders and creditors, and to standardize the organization and activities of the Company.

Article 2 The Company is a joint stock limited company established in accordance with the Company Law and other relevant laws and administrative regulations of the State. The legitimate rights and interests of the Company and its shareholders are under the jurisdiction of and protected by the PRC laws, regulations and other relevant provisions of the Government.

The Company was established by way of promotion with the approval from the State Commission for Restructuring the Economic System of the PRC on 31 December 1994 as evidenced by the approval document 【1994】 No. 139. It was registered with the State Administration Bureau of Industry and Commerce of the PRC and obtained its business license on 25 March 1995. Pursuant to the approval document Wai Jing Mao Zi Yi Han 【2003】 No. 273 from the Foreign Trade and Economic Cooperation Ministry of the PRC, the Company was allowed to transform into a perpetual foreign investment joint stock limited company on 13 March 2003.

Article 3 Under the approval from the competent securities authority of the State Council Zhen Wei Fa [1997] No. 33, the Company was listed on the Stock Exchange of Hong Kong Limited and New York Stock Exchange respectively in July 1997 with an issuance of a total of 1,174,178,000 H shares.

The Company's proposal for issuing 1,000,000,000 A shares with a par value of RMB1.00 each was passed at the extraordinary general meeting held on 21 May 2002, and approved by the document (2003) No. 70 issued by the China Securities Regulatory Commission in 2003. In July 2003, 1,000,000,000 A shares of the Company's with a par value of RMB1.00 each were successfully issued and listed on Shanghai Stock Exchange.

The Company's proposal for the bonus share issues by conversion of capital reserve on the basis of 5 new shares for 10 existing shares was passed at the 2007 annual general meeting held on 25 June 2008 and was approved by the Ministry of Commerce (Shang Zi Pi [2008] No. 1094) on 14 August 2008.

The non-public issue of 721,150,000 A Shares and non-public issue of 721,150,000 H Shares were passed at the 1st 2009 Extraordinary General Meeting, 1st 2009 A Shares Class Meeting and 1st 2009 H Shares Class Meeting of the Company held on 26 February 2009 and was approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2009] No. 541) on 18 June 2009 and (Zheng Jian Xu Ke [2009] No. 449) on 2 June 2009 respectively. 721,150,000 A Shares were successfully issued and listed on the Shanghai Stock Exchange on 20 August 2009 and 721,150,000 H Shares were successfully issued and listed on the Hong Kong Stock Exchange on 21 August 2009.

The non-public issue of not more than 1,766, 780, 000 A Shares and non-public issue of 312,500,000 H Shares were passed at the 1st 2010 Extraordinary General Meeting, 1st 2010 A Shares Class Meeting and 1st 2010 H Shares Class Meeting of the Company held on 30 April 2010 and was approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2010] No. 1215) on 1 September 2010 and (Zheng Jian Xu Ke [2010] No. 1243) on 9 September 2010 respectively. 1,501,500,000 A Shares were successfully issued and listed on the Shanghai Stock Exchange on 29 October 2010 and 312,500,000 H Shares were successfully issued and listed on the Hong Kong Stock Exchange on 1 November 2010.

The Resolution on the Granting of General Mandate to the Board to issue Shares was considered and passed at the Company's 2015 annual general meeting convened on 27 May 2016, and the Board was granted an unconditional general mandate to issue additional H shares not exceeding 20% of the aggregate nominal value of H shares in issue on the date of passing such resolution; and the non-public issuance of 270,606,272 H shares by the Company to American Airlines, Inc. were considered and passed at the extraordinary meeting of the 7th session of the Board convened on 27 March 2017 and was approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2017]1350) on 26 July 2017. 270,606,272 H Shares were successfully issued and listed on the Hong Kong Stock Exchange on 10 August 2017.

The non-public issue of not more than 1,800, 000, 000 A Shares and non-public issue of not more than 600,925,925 H Shares were passed at the 1st 2017 Extraordinary General Meeting, 1st 2017 A Shares Class Meeting and 1st 2017 H Shares Class Meeting of the Company held on 8 November 2017 and was approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2018] No. 431) on 12 March 2018 and (Zheng Jian Xu Ke [2018] No. 1235) on 2 August 2018 respectively. 600,925,925 H Shares were successfully issued and listed on the Hong Kong Stock Exchange on 11 September 2018 and 1,578,073,089 A Shares were successfully issued and listed on the Shanghai Stock Exchange on 26 September 2018.

The non-public issue of not more than 2,453,434,457 A Shares and non-public issue of not more than 613,358,614 H Shares were passed at the 2nd 2019 Extraordinary General Meeting, the 1st 2019 A Shares Class Meeting and the 1st 2019 H Shares Class Meeting of the Company held on 27 December 2019 and were approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2020] No. 547) on 8 April 2020 and (Zheng Jian Xu Ke [2020] No. 918) on 27 May 2020, respectively. 608,695,652 H Shares were successfully issued and listed on the Hong Kong Stock Exchange on 15 April 2020 and 2,453,434,457 A Shares were successfully issued and listed on the Shanghai Stock Exchange on 17 June 2020.

Approved by the CSRC by the Approval of China Southern Airlines Company Limited's Public Issuance of Convertible Bonds (Zheng Jian Xu Ke [2020] No. 2264), the Company publicly issued 160 million A share convertible bonds with a total amount of RMB16 billion on 15 October 2020. On 3 November 2020, pursuant to the approval of the Self-discipline Supervision Decision [2020] No. 355 issued by the Shanghai Stock Exchange, the convertible bonds of the Company with an amount of RMB16 billion were listed on the Shanghai Stock Exchange, and the conversion of the convertible bonds was commenced on 21 April 2021. As of 14 October 2026, a total amount of RMB10,105,699,000 of the A share convertible bonds have been converted into A shares of the Company, and the total number of shares being converted was 1,619,506,737.

The 2021 second extraordinary general meeting of the Company on 28 December 2021 considered and passed a resolution on non-public issuance of not more than 803,571,428 A Shares and not more than 855,028,969 H shares. Approved by the CSRC (Zheng Jian Xu Ke [2022] No. 497) on 11 March 2022 and (Zheng Jian Xu Ke [2022] No. 2287) on 8 October 2022, the Company successfully publicly issued and listed 368,852,459 H shares on the Hong Kong Stock Exchange on 10

August 2022 and 803,571,428 A shares on the Shanghai Stock Exchange on 23 November 2022.

Article 4 The registered name of the Company:

Chinese:中國南方航空股份有限公司

English: CHINA SOUTHERN AIRLINES COMPANY LIMITED

Article 5 Address of the Company: Unit 301, 3/F, Office Tower
Guanhao Science Park Phase I, 12 Yuyan Street
Huangpu District, Guangzhou, Guangdong Province

Zip code: 510530

Article 6 The director who executes the Company's affairs on behalf of the Company shall be the legal representative of the Company, and the chairman of the Company is the director who executes the Company's affairs on behalf of the Company.

The legal representative performs duties and assumes responsibilities in accordance with laws and regulations and the provisions of these Articles of Association.

Article 7 The registered capital of the Company is RMB 18,121,233,019.

Article 8 The Company is a perpetual joint stock limited company.

Article 9 The Company may amend the existing Articles of Association and has adopted these Articles of Association pursuant to the Company Law, the Securities Law, "Guidelines for Listed Companies" (hereinafter referred to as the "Guidance"), the Standards on Corporate Governance for Listed Companies (hereinafter referred to as the "CG Standards"), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and other relevant laws and administrative regulations of the PRC.

Article 10 The entire assets of the Company is divided into equal shares. The rights and obligations in respect of the Company enjoyed and assumed by shareholders of the Company shall be limited to the extent of the amount payable on subscription of shares held by them. The Company shall be liable to its creditors to the extent of all of its property.

Article 11 These Articles of Association became effective on the date of establishment of the Company. The registration formalities of the Original Articles of Association with China's State Administration Bureau of Industry and Commerce have been completed.

The Company shall, within the period stipulated by laws and regulations, process the registration of changing of mandatory registered items due to the amendment to the Original Articles of Association.

Article 12 From the date of these Articles of Association becoming effective, these Articles of Association constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders.

Article 13 These Articles of Association are binding on the Company and its shareholders, directors, president and other senior administrative officers of the Company; all of whom are entitled to claim rights concerning the affairs of the Company in accordance with these Articles of Association.

These Articles of Association are actionable by a shareholder against the Company and vice versa, by shareholders against each other, by a shareholder against the directors, president and other senior administrative officers of the Company and by the company against the directors, president and other senior administrative officers of the Company in respect of rights and obligations concerning the affairs of the Company arising out of these Articles of Association.

Article 14 The Company may invest in other companies. The Company's liabilities shall be limited to the amount of its capital contribution to the investee company. Unless otherwise provided by laws, regulations and other normative documents, the Company shall not become an investor that assumes joint guarantee liability of the debt of any investee company.

Article 15 On condition of compliance with the applicable laws and regulations of the PRC, the Company has the power to raise and borrow money, which power includes but not limited to the issue of debentures, the charging or mortgage of part or whole of the Company's business or properties and other rights permitted by the PRC laws and administrative regulations.

Article 16 According to the Constitution of the Communist Party of China, the Company shall establish an organization of the Communist Party of China. The Party committee shall perform the core leading and political functions, control the directions, manage the situation and ensure the implementation. The Company shall set up the working organs of the Party, which shall be equipped with sufficient personnel to handle Party affairs and provided with sufficient funds to operate the Party organization.

Article 17 For the purpose of the Articles of Association, senior management of the Company refer to the General Manager, Executive Vice President, Chief Financial Officer, Chief Accountants, Chief Legal Adviser, Company Secretary, Training Directors, Chief Economist, Chief Pilot, COO Flight Operations, Service Director, Chief Engineer, COO Flight Safety and other senior management appointed by the Board of Directors.

CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 18 The business objectives of the Company are: (I) to absorb domestic and foreign capital; (II) to assist in developing the aviation industry of China; (III) to promote the development of the national economy of China; (IV) to utilize corporate incentive mechanisms of privatization; (V) to draw on the advanced management expertise of other domestic and foreign companies; (VI) to continuously improve the management of the Company; (VII) to enhance the market competitiveness of the Company; (VIII) to generate economic and social benefits for the Company; and (IX) to generate steady income for the Company's shareholders.

Article 19 The business activities of the Company shall fall within the scope of operation approved by relevant competent authorities.

The scope of business of the Company covers:
provision of scheduled and non-scheduled domestic, regional and international air transportation services for passengers, cargo, mail and luggage; provision of aircraft repair and maintenance services; acting as agent for other domestic and international airlines; provision of air catering services (only for branch operations); provision of airline ground business; civil aviation type training (limited to branch offices operating with licenses); asset leasing services; project management and technical consultancy services; sales of aviation equipment; travel agency business; merchandise retail and wholesale; health and medical examination services; internet retail (except for the sale of goods that require a license); concurrent-business insurance agent services: domestic trade agency; professional design services; category I telecom value-added services; category II telecom value-added services; advertising production;

advertising; advertising design and agency; internet data services; internet information services; information system integration services; internet of things technical services; social economic consulting services; information technology consulting services; information consulting services (Excluding licensing information consulting services). (Projects that require approval according to law can only be operated with the approval of relevant departments.)

Article 20 The Company may, according to its ability of development, and upon the approval by special resolution adopted by the shareholders' general meeting and by the relevant state government authority, adjust its scope of business or investment orientation and method, etc.

Article 21 The Company may, upon the approval by the relevant authorities, establish its subsidiaries, branches and offices (whether wholly owned or otherwise) in China and other countries or regions to cope with its business development and to promote the Company's expansion.

CHAPTER 3 SHARES AND REGISTERED CAPITAL

Article 22 The shares of the Company are evidenced by share certificates.

There must at all times be ordinary shares in the Company. Subject to the approval from the companies approving department authorized by the State Council, the Company may create other category of shares according to its requirements.

Article 23 The shares of the Company are issued on an open, fair and equitable basis. Shares of the same category shall rank pari passu in all respects among each other.

For the same category of shares issued at the same time, the conditions and price of issue for each share shall be the same. For shares subscribed for by the subscriber, each share shall have the same price.

Article 24 The shares issued by the Company shall have a par value of RMB1 per share. The RMB referred to in the preceding paragraph is the legal currency of the PRC.

Article 25 The shares issued by the Company are centrally maintained in share registrar located where the shares are listed according to the specific class of the shares.

Article 26 The Company may issue and offer shares to domestic investors or foreign investors for subscription according to law, and shall register or file the issuance with the securities regulatory authority under the State Council according to the relevant requirements.

The aforesaid overseas investors shall mean the investors from foreign countries and the regions of Hong Kong, Macau and Taiwan who subscribe for the shares issued by the Company; domestic investors shall mean the investors within the PRC other than those investors from the aforesaid regions who subscribed for the shares issued by the Company.

Article 27 Shares issued by the Company to domestic investors for subscription in RMB shall be referred to as "Domestic Shares". Shares issued by the Company to foreign investors for subscription in foreign currencies or RMB shall be referred to as "Foreign Shares". Foreign Shares which are listed overseas are called "Overseas Listed Foreign Shares".

The foreign currencies referred to in the preceding paragraph mean the legal currencies (apart from RMB) of other countries or regions which are recognized by the foreign exchange control authority of the State and can be used to pay the Company for the share price.

Article 28 Domestic Shares issued by the Company shall be called "A Shares". Overseas Listed Foreign Shares issued by the Company and listed in Hong Kong shall be called "H Shares". H Shares are shares which have been admitted for listing on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the par value of which is denominated in RMB and which are subscribed for and traded in Hong Kong dollars. H Shares can also be listed on an overseas stock exchange in the form of depositary receipts.

Article 29 The promoter of the Company is China Southern Air Holding Company (中國南方航空集團公司), which completed its company conversion in November 2017 and changed its name to China Southern Air Holding Company Limited, and contributed RMB2,200,000,000 on 25 March 1995 to the capital of the Company.

In accordance with the approval granted by the Securities Commission of the State Council, after the completion of the initial issue of A Shares, the total issued shares of the Company was 4,374,178,000 ordinary shares, of which (a) 2,200,000,000 A Shares (state shares) were issued upon the establishment of the Company and were all subscribed for by the promoter of the Company; (b) 1,174,178,000 H Shares were issued to foreign investors in connection with the first increase of capital of the Company, including shares issued pursuant to the exercise of the over-allotment option and (c) 1,000,000,000 A Shares (public shares) were issued to domestic investors in connection with the initial issue of A Shares.

The Company had conducted a bonus share issue of 2,187,089,000 new shares, comprising 1,600,000,000 A Shares and 587,089,000 H Shares, by way of conversion of capital reserve in 2008.

The Company had conducted non-public issue of 721,150,000 A Shares and 721,150,000 H Shares, of which the said A Shares were all subscribed by the promoter of the Company and the said H Shares were all subscribed by Nan Lung Holding Limited.

The Company had conducted non-public issue of 1,501,500,000 A Shares and 312,500,000 H Shares in 2010, of which 123,900,000 A Shares were subscribed by the promoter of the Company, 1,377,600,000 A Shares were subscribed by eight investors and the said H Shares were all subscribed by Nan Lung Holding Limited.

The Company had conducted non-public issue of 270,606,272 H Shares in 2017, all of which were subscribed by American Airlines, Inc.

The Company had conducted non-public issue of 1,578,073,089 A Shares and 600,925,925 H Shares in 2018, of which 489,202,658 A Shares were subscribed by the promoter of the Company, 1,088,870,431 A Shares were subscribed by six investors and the said H Shares were all subscribed by Nan Lung Holding Limited.

The Company had conducted non-public issue of 608,695,652 H Shares and 2,453,434,457 A Shares in 2020, the said H Shares were all subscribed by Nan Lung Holding Limited and the said A Shares were all subscribed by the promoter of the Company.

The Company publicly issued 160 million A shares convertible bonds with a total amount of RMB16 billion in 2020. The conversion period was from 21 April 2021.

The Company conducted non-public issuance of 368,852,459 H shares and 803,571,428 A shares in 2022. The said H shares were all subscribed by Nan Lung Holding Limited and the said A Shares were all subscribed by the promoter of the Company.

After the above issuance, the current share capital structure of the Company is: (a) 9,404,468,936 A Shares held by the promoter, representing 51.90% of the total share capital; (b) 4,072,766,775 A Shares held by domestic investors, representing 22.47% of the total share capital; and (c) 4,643,997,308 H Shares held by foreign investors, representing 25.63% of the total share capital.

CHAPTER 4 INCREASE AND DECREASE IN CAPITAL AND REPURCHASE OF SHARES

Article 30 Subject to the relevant laws and regulations and these Articles of Association and the passing of resolutions at the shareholders' general meeting, the Company may increase its capital in the following ways to meet the needs of operations and business expansion:

(1) Issuing shares to non-specified targets;

(2) Issuing shares to specified targets;

(3) Distributing new shares to existing shareholders;

(4) Converting the statutory common reserve fund, discretionary common reserve fund or capital common reserve fund into capital;

(5) Other ways permitted by laws and administrative regulations and the securities regulatory authority under the State Council.

Increase in capital of the Company shall be proceeded in accordance with the PRC laws and administrative regulations, and subject to the approval as required by these Articles of Association.

Article 31 The Company may reduce its registered capital pursuant to the provisions of these Articles of Association. Reduction of registered capital of the Company shall be proceeded in accordance with the Company Law and other relevant regulations as well as these Articles of Association.

Article 32 When the Company reduces its registered capital, it must draw up a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days from the date of the Company's resolution for reduction of capital at the shareholders' general meeting and shall publish a notice in a newspaper or the National Enterprise Credit Information Publicity System within thirty days from the date of such resolution. A creditor has the right within thirty days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty five days from the date of the public notice, to require the Company to repay its debts or provide a corresponding guarantee.

The Company's registered capital after reduction shall not be less than the statutory minimum amount. When the Company reduces its registered capital, the number of shares should be correspondingly reduced according to the proportion of shareholder contributions or shareholding, unless otherwise required by laws, regulations or these Articles of Association.

Article 33 The Company may, in accordance with laws, administrative regulations, departmental constitution documents and these Articles of Association, repurchase shares of the Company:

(1) Reducing the registered capital of the Company;

(2) Merging with another company that holds shares in the Company;

(3) Offering shares for the employee's share scheme or as equity incentives**;**

(4) Where the shareholders disagree on the resolutions passed by the shareholders' general meeting on the merger or division of the Company so much that they request the company to acquire their shares;

(5) When shares are being used to satisfy the conversion of corporate bonds convertible into shares issued by the Company;

(6) When safeguarding corporate value and shareholders' equity as the Company deems necessary;

(7) Other circumstances permitted by laws and administrative regulations and these Articles of Association.

In respect of clause (6) of preceding paragraph, one of the following conditions shall be met: (1) the closing price of the shares is lower than its latest published net asset value per share; (2) the closing price of the shares has decreased by 20% in aggregate within twenty consecutive trading days; (3) the closing price of the shares is lower than 50% of the highest closing price of the shares in the past year; (4) other conditions as required by the CSRC.

Save for the above circumstances, the Company shall not purchase of its own shares otherwise.

Article 34 The Company may buy back its shares through public centralized trading, offer or other methods as recognized by laws and regulations and the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed.

Where the buyback of shares by the Company falls under any of the circumstances stipulated in clauses (3), (5) and (6) of the first paragraph of Article 33 of the Articles of Association, such buyback shall be conducted through public centralized trading method.

Article 35 Where the Company repurchases its own shares due to reasons as set out in clauses (1) and (2) of Article 33, it shall obtain the prior approval of the shareholders by a resolution at a shareholders' general meeting. Where the Company purchases its own shares under any of the circumstances stipulated in clauses (3), (5) and (6) of Article 33, subject to the laws, regulations, and the rules of the place where shares are listed, it may be resolved by a Board meeting at which more than two-thirds of directors present in accordance with the provisions of these Articles of Association or the authorization of the shareholders' general meeting. After the Company purchases its shares pursuant to Article 33, the shares in respect of the circumstances described in clause (1) shall be cancelled within ten days from the day of purchase; and those in respect of the circumstances described in clauses (2) and (4) shall be transferred or cancelled within six months. The shares in respect of the circumstances described in clause (3), (5) and (6), the aggregated number of shares of the Company held by itself shall be not more than 10% of the total issued shares of the Company and shall be transferred or cancelled within three years.

Where the laws and regulations or the listing rules of stock exchange(s) in the place where the Company's shares are listed has any other provisions in respect of the purchase of shares, such provisions shall prevail.

The total nominal value of cancelled shares shall be reduced from the registered capital of the Company.

Article 36 Subject to laws, regulations, the requirements of CSRC, rules of the securities regulatory authority and stock exchange where the Company's shares are listed and these Articles of Association, for the benefit of the Company, the Company may provide financial assistance for others to purchase its shares as resolved by the shareholders at general meetings or resolved by the Board of Directors according to these Articles of Association or the authorization granted by the shareholders' general meeting, provided that the accumulated amount of financial assistance shall not exceed 10% of the issued share capital of the Company and the resolution made by the Board of Directors shall be passed by two-thirds or more of all directors.

CHAPTER 5 SHARE TRANSFER

Article 37 Unless otherwise provided by laws and regulations, the Shares of the Company can be lawfully transferred and are not subject to any lien. The transfer, donation, inheritance and pledge of shares shall be registered with the securities registrar appointed by the Company.

Article 38 The Company shall not accept the Company's share certificates as the subject of pledges.

Article 39 The Company's directors, president and other senior administrative officers shall periodically declare to the Company the number of shares they hold and the changes thereof in the Company during their term of office. They may transfer their shares during the term of their office or after their departure from office in accordance with the requirements of the laws and the listing rules of the place of the stock exchange on which the Company's shares are listed.

Article 40 Shares of the Company held by the promoters shall not be transferred within one year commencing from the establishment of the Company. Shares issued prior to the public offer of shares of the Company shall not be transferred within one year from the date when the shares were listed on a stock exchange.

Directors and senior administrative officers of the Company shall periodically report to the Company shares of the Company or other securities of equity nature held by them and any changes thereof, and shall not transfer more than 25% of the shares held by them during their term of office, while shares of the Company held by them must not be transferred within one year commencing from the date on which the shares of the Company were listed. The aforesaid persons shall not transfer the shares of the Company held by them within six months commencing from the termination of their service.

Where a shareholder pledges shares held within the lock-up period as prescribed by laws and regulations, the pledgee shall not exercise the pledge rights during such lock-up period.

Article 41 Any gains from any sales of shares of the Company by shareholders holding 5% or more of the shares, any director and senior administrative officer of the Company within six months after the share are bought, or any gains from any purchase of shares of the Company by any of the aforesaid parties within six months after the share are sold shall be disgorged and paid to the Company, except in cases where trading is permitted by laws, regulations or normative documents, and the Board of Directors shall recover such gains from the abovementioned parties. In case the Board of Directors failed to perform in compliance with this provision, the responsible directors shall be jointly liable for such default.

The shares or other equity securities held by directors, senior management and individual shareholders as mentioned in the preceding paragraph, include the shares or other equity securities held by his/her spouse, parents and children and held using other persons' accounts. If the Board of Directors fails to comply with the aforesaid provision, the shareholders may demand the Board of Directors to implement such provision within thirty days. Where the Board of Directors fails to implement such provision within the aforesaid period, the shareholders may initiate proceedings in the People's Court in their own names to protect the interest of the Company.

CHAPTER 6 SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS

Article 42 The Company shall establish a register of shareholders based on the certificates provided by the securities registrar. The register of shareholders is sufficient evidence of a shareholder's ownership of shares in the Company. The register of shareholders shall contain the following particulars:

(1) The name (title) and address (residence) of each shareholder;

(2) The class and quantity of shares held by each shareholder;

(3) The amount paid or payable on the shares of each shareholder;

(4) The share certificate numbers of the shares held by each shareholder;

(5) The date on which each person was entered in the register as a shareholder;

(6) The date on which any shareholder ceased to be a shareholder.

Unless evidence to the contrary is shown, the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company.

The register of shareholders maintained in Hong Kong shall be made available for inspection by shareholders free of charge during business hours, and this Article will not affect the closure of register of shareholders of the Company in accordance with the requirements of the regulatory authorities of the place where the Company's shares are listed.

Article 43 All the fully paid-up H Shares can be freely transferred in accordance with these Articles of Association. However, the Board of Directors may refuse to recognize any instrument of transfer without giving any reason, unless:

(1) A fee (for each instrument of transfer) of two dollars and fifty cents Hong Kong dollars or any higher fee as agreed by the Stock Exchange has been paid to the Company for registration of any instrument of transfer or other document which is related to or will affect ownership of or change of ownership of the shares;

(2) The instrument of transfer only involves H Shares;

(3) The stamp duty chargeable on the instrument of transfer has been paid;

(4) The relevant share certificate and upon the reasonable request of the Board of Directors any evidence in relation to the right of the transferor to transfer the shares have been submitted;

(5) If it is intended to transfer the shares to joint owners, then the maximum number of joint owners shall not exceed four;

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

If the Company refuses to register any transfer of shares, the Company shall within two months of the formal application for the transfer provide the transferor and the transferee with a notice of refusal to register such transfer.

Article 44 Where laws, administrative regulations, departmental rules and the regulatory authorities and the stock exchange of the place where the Company's shares are listed have any requirements on the period for suspending registration of changes in the shareholders' register due to the transfer of shares before the date of a shareholders' general meeting or before the record date for the Company's distribution of dividends, such requirements shall prevail.

Article 45 Where the Company decides to convene a shareholders' general meeting, distribute dividends, liquidate or carry out other activities which would

require the determination of shareholdings, the Board of Directors shall fix a record date for the purpose of determining shareholdings, at the end of which the shareholders in the register shall be shareholders entitled to relevant interests.

Article 46 Any person aggrieved and claiming to be entitled to have his name (title) to be entered in or removed from the register of shareholders may apply to a court of competent jurisdiction for rectification of the register.

CHAPTER 7 SHAREHOLDERS' RIGHTS AND OBLIGATIONS

Article 47 A shareholder of the Company is a person who lawfully holds shares in the Company and whose name (title) is entered in the register of shareholders. A shareholder shall enjoy rights and bear obligations according to the category and proportion of the shares held by him; shareholders who hold shares of the same category shall enjoy the same rights and bear the same obligations.

Article 48 The shareholders of the Company shall enjoy the following rights:

(1) The right to dividends and other distributions in proportion to the number of shares held;

(2) The right to request the convening and holding of and to attend or appoint a proxy to attend shareholders' general meetings and to speak and vote thereat, unless certain shareholders are required to abstain from voting on any particular resolution under the listing rules of the place where the Company's shares are listed;

(3) The right of supervisory management over the Company's operations, and the right to present proposals or enquiries;

(4) The right to transfer, donate or pledge his shares in accordance with laws, administrative regulations and these Articles of Association;

(5) The right to inspect the Articles of Association, register of shareholders, corporate bond stubs, minutes of general meetings, resolutions of meetings of the Board of Directors and financial accounting reports;

(6) The right of knowledge and decision-making power with respect to important matters of the Company in accordance with laws, administrative regulations and these Articles of Association;

(7) In the event of the termination or liquidation of the Company, the right to participate in the distribution of surplus assets of the Company in accordance with the number of shares held;

(8) The right to request the company to repurchase their shares as a result of disagreement on the resolutions passed by the shareholders' general meeting on the merger or division of the Company;

(9) Other rights conferred by laws, administrative regulations and these Articles of Association.

Article 49 If a shareholder requests to inspect the information or obtain the relevant materials as described in Article 63 of these Articles of Association, he shall provide the Company with a written document showing the class and number of shares in the Company held by him. The Company shall at the request of such shareholder provide him with the relevant information upon confirmation of his identity.

Article 50 If a resolution of a shareholders' general meeting or board meeting violates the provisions of laws and administrative regulations, a shareholder may request the local People's Court to declare it invalid.

If the procedures for convening a shareholders' general meeting or board meeting or the voting methods thereof violate the laws and administrative regulations or these Articles of Association, or the content of a resolution violates these Articles of Association, shareholders may partition the local People's Court to rescind such resolution within sixty days from the date on which such a resolution is passed, except where there are only minor defects in the procedures to convene the shareholders' general meeting or the meeting of the Board of Directors or voting methods, without causing substantive impacts on the resolution.

Where the Board of Directors, shareholders, or other relevant parties have any dispute regarding the validity of a resolution adopted by the shareholders' general meeting, such dispute shall be promptly submitted to the People's Court for adjudication. Before a judgment or ruling, such as revocation of the resolution, is rendered by the People's Court, the relevant parties shall perform the resolution adopted by the shareholders' general meeting. The Company, directors, and senior management shall diligently perform their duties to ensure the normal operation of the Company.

Article 51 Where the People's Court issues a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchanges, fully explain the impact, and actively cooperate in the enforcement after the judgment or ruling takes effect. If the matter involves correction of a prior issue, the Company will handle the matter in a timely manner and fulfill the corresponding information disclosure obligations. Any resolution made by the shareholders' general meeting or the Board of Directors shall be deemed null and void under any of the following circumstances:

(1) no shareholders' general meeting or Board meeting is convened to make a resolution;

(2) no voting was conducted at the shareholders' general meeting or Board meeting on the matter subject to resolution;

(3) the number of attendees or the voting rights represented at the meeting did not reach the quorum or voting rights requirements as prescribed by the Company Law or these Articles o f Association;

(4) the number of people voted in favor of the resolution or the voting rights represented did not reach the threshold as prescribed by the Company Law or these Articles of Association.

Article 52 Where a director or senior management personnel violates laws, administrative regulations, or the provisions of these Articles of Association, causing damage to the interests of shareholders, the shareholders may initiate legal proceedings.

If a director or any senior administrative staff other than members of the Audit and Risk Management Committee violates any laws, administrative regulations or these Articles of Association in the course of performing his duties and causes losses to the Company, shareholders alone or in aggregate holding 1% or more of the Company's shares for a hundred and eighty consecutive days may request the Audit and Risk Management Committee in writing to initiate legal proceedings against such acts in the local People's Court; where the Company incurs losses as a result of the members of the Audit and Risk Management Committee having violated any laws, administrative regulations or these Articles of Association in the course of performing their duties, the aforementioned shareholders may request the Board of Directors in writing to initiate legal proceedings in the local People's Court.

If the Audit and Risk Management Committee or the Board of Directors refuses to initiate legal proceedings after receiving the aforesaid written request of shareholder, or fails to initiate such legal proceedings within thirty days on which such request is received, or in case of emergency where failure to initiate such legal proceedings immediately will result in irreparable damage to the Company's interest, the shareholder described in the preceding paragraph may initiate legal proceedings in the local People's Court directly in their own names in the interest of the Company.

These shareholders may also initiate legal proceedings in the People's Court under the provisions set out in the preceding two paragraphs if any third parties infringe on the lawful interests of the Company and result in damage to the Company.

If the aforesaid circumstances occur in directors, supervisors or senior management of the wholly-owned subsidiaries of the Company, or a third party infringes upon the lawful rights and interests of the wholly-owned subsidiaries of the Company and causes losses to the wholly-owned subsidiaries of the Company, shareholders who hold 1% or more of the shares in the Company, either individually or collectively, for 180 or more consecutive days shall have the right to request the supervisory committee, the Audit Committee (where no supervisory committee or supervisors are established) or the board of directors of the wholly-owned subsidiaries of the Company in writing to institute proceedings in the People's Court or institute proceedings directly in the People's Court in their own names pursuant to the preceding three paragraphs of Article 189 of the Company Law.

Article 53 The shareholders of the Company shall assume the following obligations:

(1) To abide by the laws, regulations, administrative rules, normative documents, the requirements of the place where the Company's shares are listed and the provisions of these Articles of Association;

(2) To pay subscription monies according to the number of shares subscribed and the method of subscription;

(3) Not to withdraw their share capital unless required by laws and regulations;

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

(5) Other obligations imposed by laws, administrative regulations and these Articles of Association.

Shareholders of the Company who abuse their rights as shareholders to harm the interests of the Company or other shareholders shall be liable for compensation. Shareholders of the Company who abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company shall be jointly liable for the debt of the Company.

Shareholders are not liable to make any further contribution to the share capital other than as agreed as the subscriber of the relevant shares on subscription.

Article 54 If a shareholder who holds 5% or more of the Company's voting shares pledges the shares in his possession, he shall submit a written report to the Company on the day when such pledge takes place.

Article 55 The controlling shareholders and Actual Controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the rules of the CSRC and the stock exchanges, safeguard the interests of the Company, and shall comply with the following provisions:

(1) The controlling shareholders, Actual Controllers and the Company shall implement separation of personnel, assets and finance and independence between organs and business of the Company;

(2) The controlling shareholders, Actual Controllers shall respect decisions made by shareholders' general meeting and the Board of Directors of the Company, and shall not interfere with the normal decision-making procedures of the Company or harm the legal interests and rights of the Company and other shareholders in violation of laws, regulations or the Articles of Association;

(3) The controlling shareholders, Actual Controllers shall nominate candidates of the Company's directors in accordance with laws and regulations and these Articles of Association. Nominated candidates of directors shall have the relevant knowledge and capacity of decision-making and supervision. The controlling shareholders shall not establish any approval procedure relating to the appointment of members of the Board of Directors or appointment of personnel at the shareholders' general meeting, or bypass shareholders' general meeting and Board of Directors in employing or dismissing any senior administrative officers of the Company;

(4) The controlling shareholders shall invest in the Company with independent and complete assets with clear ownership. The controlling shareholders, Actual Controllers and their related parties shall not occupy or direct the use of the assets of the listed company;

(5) The controlling shareholders, Actual Controllers and their related parties shall respect the financial independence of the Company and shall not interfere with the financial and accounting activities of the Company;

(6) The controlling shareholders, Actual Controllers and their related companies shall not engage in the same or similar business with the Company, and the controlling shareholders shall take effective measures to avoid peer competition;

(7) The controlling shareholders shall ensure that relevant information provided to the Company is true, accurate and complete, and ensure that the Company can legally perform disclosure obligation to public investors.

(8) To strictly fulfill public declarations and commitments made, without unauthorized changes or waivers;

(9) Not to misappropriate the Company's funds in any way;

(10) Not to coerce, instruct, or require the Company and related personnel to provide guarantees in violation of laws and regulations;

(11) Not to seek benefits using the Company's undisclosed significant information, not to disclose any undisclosed significant information about the Company in any way, not to engage in insider trading, short term trading, market manipulation, or other illegal activities;

(12) Not to damage the legitimate rights and interests of the Company and other shareholders through unfair connected transactions, profit distribution, asset reorganisation, external investments, or any other means;

(13) Laws, administrative regulations, provisions of the CSRC, business rules of the stock exchanges, and other provisions of these Articles of Association.

If the controlling shareholders and actual controllers of the Company instruct directors or senior management to engage in actions that harm the interests of the Company or shareholders, they shall be jointly liable with the director or senior management concerned.

If the controlling shareholders and actual controllers pledge the shares of the Company they hold or actually control, they should maintain the controlling rights and ensure stable production and operation of the Company.

If the controlling shareholders and actual controllers transfer their shares of the Company, they shall comply with the restrictive provisions on share transfer provided by the laws, administrative regulations, provisions of the CSRC and the stock exchanges, as well as the commitments they have made regarding restrictions on share transfers.

Article 56 The controlling shareholders and beneficial controller of the Company have a fiduciary duty towards the Company and its other shareholders. The controlling shareholders shall exercise their shareholders' rights and fulfill their shareholders' duties towards the Company according to law and shall not exploit their controlling power to harm the legal rights and interests of the Company and other shareholders and shall not abuse their control over the listed company for illegal interests. If they have violated such provision and caused damage to the company, they are liable for compensation.

The directors and senior management personnel of the Company shall comply with the laws, administrative regulations and these Articles of Association. They shall exercise care and diligence and fulfill their fiduciary duties to the Company, and protect the assets of the Company at their own initiative. They shall not exploit their positions to facilitate, assist or indulge the controlling shareholder in embezzling the funds of the Company, nor shall they impair the Company's interests through unauthorized guarantees, unfair connected transactions or otherwise.

If a director other than the member of the Audit and Risk Management Committee of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of the Audit and Risk Management Committee or Shareholders who individually or jointly hold 1% or more of the shares in the Company, a general meeting of the Company shall be convened to consider removing such director from office.

If a member of the Audit and Risk Management Committee of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of the Board or Shareholders who individually or jointly hold 1% or more of the shares in the Company, a general meeting of the Company shall be convened to consider removing such member of the Audit and Risk Management Committee from office.

If any senior management personnel of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of one-third or more of the directors or the Audit and Risk Management Committee, a board meeting shall be convened to consider removing such senior management personnel from office.

If a director or senior management personnel of the Company fails to fulfil his/her duties of fiduciary to the Company by exploiting his/her position to assist or indulge the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, and be suspected of committing an offence, upon a resolution passed by the Board of the Company, such personnel shall be transferred to the relevant judicial authority for investigation of criminal responsibility.

Article 57 Written agreements shall be made in respect of connected transactions between the Company and a connected person, which shall be on the principles of equality, voluntariness and fair consideration. Connected transactions shall be made on normal commercial terms, and the consideration must be comparable with those provided by independent third parties in the market.

The Company shall take effective measures to prevent its connected persons from interfering with the operations of the Company and damaging the Company's benefits by way of monopolizing its purchase and sales channels.

The Company shall take effective measures to prevent shareholders and its connected parties from misappropriating or transferring the Company's funds, assets or other resources in whatever manner.

Article 58 The Company shall take active steps to establish and improve its investor relation management system and boost communications and exchanges with the shareholders in every way available. The board secretary of the Company shall be specifically responsible for investor relation management.

CHAPTER 8 SHAREHOLDERS' MEETINGS
Section 1 General Provisions on Shareholders' General Meetings

Article 59 The shareholders' general meeting comprising all the shareholders shall be the source of authority of the Company and shall exercise its powers according to the laws.

Article 60 The shareholders' general meeting shall exercise the following functions and powers:

(1) To elect and replace directors who are not the employees' representatives and decide on matters relating to the remuneration of directors;

(2) To examine and approve reports of the Board of Directors;

(3) To examine and approve the Company's profit distribution plans and plans for making up losses;

(4) To decide on increase or decrease in the Company's registered capital;

(5) To decide on matters such as merger, division, spin-off, dissolution, liquidation and change in company forms of the Company;

(6) To decide on the issue of debentures by the Company;

(7) To decide on the appointment and dismissal of the accountants engaged for the audit work of the Company;

(8) To amend these Articles of Association;

(9) To examine and approve the change in use of proceeds from raising capitals;

(10) To examine the adoption of share incentive scheme and employee share ownership plan;

(11) To consider motions raised by shareholders individually or jointly holding 1% or more of the total shares of the Company carrying the right to vote;

(12) To consider and approve significant acquisition, disposal and replacement of assets of the Company, as well as other significant asset restructuring matters (the standards shall be fixed in accordance with the rules of the stock exchange of the listing place);

(13) To consider and approve external guarantee by the Company at a shareholders' general meeting as required by the laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and provisions of these Articles of Association;

(14) To decide on other matters which require resolutions of the shareholders at shareholders' general meetings according to the relevant laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and these Articles of Association;

To decide on which matters the Board of Directors may be authorised or delegated to deal with by the shareholders at shareholders' general meetings.

When the shareholders' general meeting decides on which matters the Board of Directors may be authorised or delegated to deal with, the shareholders' general meeting shall protect the legitimate rights and interests of the Company according to law and abide by laws and regulations strictly in order to ensure the Company's principle of efficient operation and scientific decision making. Matters which the Board of Directors may be authorised or delegated to deal with including but not limited to the following:

1. To modify the language of the Articles of Association after the shareholders' general meeting has passed the resolution on the amendments to the Articles of Association;

2. To distribute the interim dividends and quarterly dividends;

3. To decide on specific matters in connection with the issue of new shares, convertible bonds, corporate bonds and debt financing instruments;

4. The shareholders' general meeting shall also decide on other matters which the Board of Directors may be authorised or delegated to deal with from time to time in accordance with laws, regulations and these Articles of Association.

Article 61 Save for special circumstances such as crisis, the Company shall not, without the approval of shareholders at shareholders' general meeting by way of a special resolution, enter into any contract with any person other than a director or senior administrative officer whereby the management and administration of the whole or any substantial part of the business of the Company is to be handed over to such person.

Article 62 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors. Annual general meetings are held once every year and within six months from the end of the preceding financial year.

Article 63 Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of occurrence of the relevant event:

(1) The number of directors is less than that is required by the Company Law or two thirds of the number of directors specified in these Articles of Association;

(2) The accrued losses of the Company amount to one third of the total amount of its share capital;

(3) Shareholder(s) individually or jointly holding 10% or more of the Company's issued and outstanding shares carrying voting rights request(s) in writing the convening of an extraordinary general meeting;

(4) It is deemed necessary by the Board of Directors to convene an extraordinary general meeting;

(5) More than one half of the independent directors propose to convene the meeting;

(6) The Audit and Risk Management Committee proposes to convene the meeting;

(7) Other circumstances permitted by laws, administrative regulations, departmental rules or the Articles of Association.

The number of shares held by shareholders in clause (3) above shall be calculated on the date when the written request is submitted.

Article 64 The place for convening shareholders' general meetings shall be clearly set out in the notice of meeting. Shareholders' general meetings shall be held by way of live meetings in a venue. For the convenience of shareholders, the Company shall provide secure, cost-efficient and accessible online and other channels for participation in shareholders' general meetings in accordance with applicable laws, administrative regulations and rules of the China Securities Regulatory Commission, the stock exchange of the place where the Company's shares are listed or the Articles of Association. Shareholders who attend shareholders' general meetings in the aforesaid manners shall be deemed as present.

Article 65 The Company shall engage lawyers to attend shareholders' general meetings and advise on the following issues with announcements made thereon:

(1) Whether the convening of the shareholders' general meeting and its procedures are in compliance with laws, administrative regulations and these Articles of Association;

(2) Whether the attendees are eligible and whether the eligibility of the convenor is lawful and valid;

(3) Whether the procedures of voting and the voting results of the meeting are lawful and valid;

(4) Legal opinions on other related matters at the request of the Company.

Section 2 Convening of Shareholders' General Meetings

Article 66 A shareholders' general meeting shall be convened by the Board of Directors and presided over and chaired by the chairman of the Board of Directors. If the chairman is unable to attend the meeting for any reason, the vice-chairman of the Board of Directors shall convene and take the chair of the meeting. If both the chairman and vice-chairman of the Board of Directors are unable to attend the meeting, a director jointly elected by more than half of the directors shall preside over the meeting. If no chairman of the meeting has been designated, shareholders present shall choose one person to be the chairman of the meeting. If for any reason the shareholders fail to elect a chairman, then the shareholder (including his proxy) presents in person or by proxy and holds the largest number of shares carrying the right to vote thereat shall be the chairman of the meeting.

Shareholders' general meetings convened by the Audit and Risk Management Committee shall be presided over by the convener of the Audit and Risk Management Committee. If the convener of the Audit and Risk Management Committee is unable or fails to perform his duties, a member of Audit and Risk Management Committee elected by more than half of its members shall preside over the meeting.

A shareholders' general meeting convened by the shareholders themselves shall be presided over by the convener or a representative nominated by the convening shareholders.

When a shareholders' general meeting is held and the chairman of the meeting violates the rules of procedures such that the shareholders' general meeting cannot proceed, a person may be elected to preside over the meeting, subject to the approval of shareholders present at the meeting and entitled to more than half of the voting rights.

Article 67 Shareholders individually or collectively holding 10% or more of the shares carrying the right to vote of the Company have the right to request the convening of an extraordinary general meeting and shall abide by the following procedures:

(1) They may sign one or more counterpart requisitions stating the objectives of the meeting and requiring the Board of Directors to convene a shareholders' extraordinary general meeting.

(2) The Board of Directors shall, in accordance with laws, administrative regulations and these Articles of Association, furnish a written reply stating its agreement or disagreement to convene the extraordinary general meeting within ten days upon receipt of such requisition.

(3) If the Board of Directors agrees to convene the extraordinary general meeting, a notice of meeting shall be issued within five days after adoption of the relevant resolution by the Board of Directors. Any changes to the original requisition made in the notice shall require the approval of the relevant shareholders.

If the Board of Directors does not agree to convene the extraordinary general meeting or does not furnish any reply within ten days upon receipt of such requisition, Shareholders individually or jointly holding 10% or more of the shares of the Company carrying the right to vote shall be entitled to propose to the Audit and Risk Management Committee that an extraordinary general meeting or a class meeting be convened, and such proposal shall be made in writing. The Audit and Risk Management Committee shall, in accordance with the provisions of the laws, administrative regulations and the Articles of Association, provide written reply on whether it agrees or disagrees with the holding of the extraordinary general meeting within ten days after receiving the request.

(4) If the Audit and Risk Management Committee agrees to convene the extraordinary general meeting, a notice of meeting shall be issued within five days upon receipt of such requisition. Any changes to the original requisition made in the notice shall require the approval of the relevant shareholders.

If the Audit and Risk Management Committee does not issue a notice of meeting within the prescribed period, it shall be deemed as failing to convene and preside over the meeting.

(5) If neither the Board of Directors nor the Audit and Risk Management Committee convene and preside over the shareholders' general meeting, shareholders who individually or collectively hold 10% or more of the Company's shares for ninety or more consecutive days may convene and preside over the meeting on their own initiative in a manner as similar as possible as that in which shareholders' meeting are to be convened by the Board of Directors.

Any reasonable expenses incurred by the requisitions by reason of the failure of the Board of Directors to duly convene a meeting shall be repaid to the requisitionists by the Company.

Article 68 With the approval of more than half of all independent directors, independent directors shall be entitled to propose to the Board of Directors the convening of an extraordinary general meeting. The Board of Directors shall, in accordance with laws, administrative regulations and these Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten days upon receipt of such proposal**.**

If the Board of Directors agrees to convene an extraordinary general meeting, a notice of meeting shall be issued within five days after passing of the relevant resolution by the Board of Directors. If the Board of Directors does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given by way of announcemen**t.**

Article 69 The Audit and Risk Management Committee shall be entitled to propose to the Board of Directors the convening of an extraordinary general meeting, provided that such proposal shall be made in writing. The Board of Directors shall**,** in accordance with laws, administrative regulations and these Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten days upon receipt of such proposal.

If the Board of Directors agrees to convene an extraordinary general meeting, a notice of meeting shall be issued within five days after the passing of the relevant resolution by the Board of Directors. Any change to the original proposal made in the notice shall require the approval of the Audit and Risk Management Committee.

If the Board of Directors does not agree to convene an extraordinary general meeting or does not furnish any reply within ten days after receiving such proposal, the Board of Directors shall be deemed as incapable of performing or failing to perform the duty of convening a general meeting, in which case the Audit and Risk Management Committee may convene and preside over such meeting on an unilateral basis.

All necessary expenses incurred for such shareholders' general meeting convened by the Audit and Risk Management Committee shall be borne by the Company**.**

Article 70 Where the Audit and Risk Management Committee or shareholders decide(s) to convene the extraordinary general meeting by itself / themselves, it / they shall send a written notice to the Board, and file the same with the local office of CSRC and the stock exchange at the place where the Company is located for record.

The shares of the Company carrying the right to vote of the convening shareholders shall not be lower than 10% of the total shares of the Company carrying the right to vote prior to the announcement of the resolutions of the shareholders' general meeting.

The Audit and Risk Management Committee or convening shareholder shall submit relevant evidence to the local office of CSRC and the stock exchange at the place where the Company is located upon the issuance of the notice of general meeting and the announcement of the resolutions of the shareholders' general meeting.

Article 71 The Board of Directors and the secretary to the Board of Directors shall cooperate with respect to matters relating to a shareholders' general meeting convened by the Audit and Risk Management Committee or shareholders at its/their own discretion. The Board of Directors shall provide the register of shareholders as of the record date.

Section 3 Proposals and Notices for Shareholders' General Meetings

Article 72 Motions proposed at a shareholders' general meeting of the Company shall be the specific proposals relating to the matter that should be put forth for discussion at a shareholders' general meeting, the content of the proposals shall fall within the scope of the functions and powers of the shareholders' general meeting, have clear topics and specific matters for resolution, and comply with the relevant provisions of laws, administrative regulations and these Articles of Association.

Article 73 Where the Company convenes a shareholders' general meeting, the Board of Directors, the Audit and Risk Management Committee and shareholder(s) individually or jointly holding 1% or more of the Company's issued and outstanding shares carrying voting rights shall have the right to propose motions to the Company.

Article 74 Shareholder(s) individually or jointly holding 1% or more of the Company's issued and outstanding shares carrying voting rights shall have the right to propose an extempore motion ten days prior to the general meeting by furnishing the same to the Board of Directors in writing. After the same have been reviewed and approved by the Board of Directors of the Company, those matters in the proposed motions within the scope of functions and powers of the shareholders' general meeting will be placed on the agendas. The convener shall within two days after receiving the proposed motion issue a supplemental notice of general meeting to make public the contents of the extempore motion. If there are other requirements in the listing rules of the place where the Company's shares are listed, such requirements shall also be satisfied.

If the Board of Directors considers that the contents of the motion violate laws, administrative regulations or these Articles of Association or are not within the scope of functions and powers of the shareholders' general meeting, it shall give reasons and explanation to the shareholders' general meeting and publish the motion and the board's explanation along with resolutions adopted by the shareholders' general meeting at the end of the meeting.

Save as provided in the preceding paragraphs, the convener shall not amend such new motions stated in the notice of shareholders' general meeting or add any new motion upon the issue of the notice of meeting.

Motions which are not included in the notice of meeting or which do not meet Article 72 of these Articles of Association shall not be voted on by the shareholders' general meeting and become resolutions.

Article 75 Notice of a shareholders' general meeting shall be given by way of announcement or by any other manner as provided in these Articles of Association (if necessary), not less than twenty days (including twenty days) before the date of the meeting, and notice of an extraordinary general meeting shall be given not less than fifteen days (including fifteen days) before the meeting to notify all of the shareholders of the matters to be considered, the date and the place of the meeting.

If it is otherwise required by laws, regulations, normative documents or the securities regulatory authorities or the stock exchange of the place where the Company's shares are listed, such requirements shall apply.

A general meeting shall not decide on any matter not stated in the notice of meeting.

Article 76 When the Board of Directors issues the notice for the convening of a shareholders' general meeting, the meeting shall not be postponed without reason. In case the shareholders' general meeting must be postponed under special circumstances, a notice regarding the postponement must be issued at least two working days before the original date of the shareholders' general meeting. In the postponement notice, the Board of Directors must state the reasons for the postponement and the date of the postponed meeting. When the shareholders' general meeting is postponed, the Board of Directors may not change the record date of the shareholding of the shareholders entitled to attend the shareholders' general meeting provided in the original notice.

Article 77 A notice of meeting shall be made in writing and:

(1) specify the place, the date and time of the meeting;

(2) state the matters and proposals to be considered at the meeting;

(3) contain a conspicuous statement that all shareholders are entitled to attend the shareholders' meeting and may appoint one or more proxies to attend and vote on their behalf and a proxy need not be a shareholder of the Company;

(4) specify the record date for the entitlement of shareholders to attend the shareholders' meeting;

(5) specify the name and telephone number of the contact person of the meeting;

(6) the time and procedure for voting online or through other means.

The notice convening shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions.

The period between the record date and the date for the meeting shall not be less than three business days and not be more than seven business days. No changes shall be made once the record date is confirmed.

Article 78 Notice of shareholders' general meeting shall be served on the shareholders (whether or not entitled to vote at the meeting), by announcement, or in the manner specified in Chapter 25 of these Articles of Association. If the notice is issued by way of an announcement, all persons concerned shall be deemed to have received the notice once such announcement is made.

Notice of shareholders' meeting shall be served on the A shareholders by announcement, which shall be published on the website of the Shanghai Stock Exchange and media that meet the conditions prescribed by the CSRC. Notice of shareholders' meeting shall be served on the H shareholders by publishing the contents of the notice on the websites of the Company and the Stock Exchange subject to laws, regulations and the listing rules of the place where the Company's shares are listed.

Section 4 Convening of Shareholders' General Meetings

Article 79 The Board of Directors and other convener shall take necessary measures to ensure the good order of the shareholders' general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles or infringing the lawful rights and interests of any shareholder, and shall report in a timely manner such act to the relevant department for investigation and punishment.

Article 80 All the shareholders or their proxies recorded in the register of members on the record date are entitled to attend the shareholders' general meeting, and shall exercise their voting rights pursuant to the laws, regulations and these Articles of Association.

Shareholders may attend the meeting in person, or they may appoint proxies to attend the meeting for them.

Article 81 Any shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint one or more other persons (whether a shareholder or not) as his proxies to attend and vote on his behalf. A proxy so appointed shall be entitled to exercise the following rights pursuant to the authorisation from that shareholder:

(1) The shareholder's right to speak at the meeting;

(2) The right to demand or join in demanding a poll;

(3) The right to vote by hand or on a poll, but a proxy of a shareholder who has appointed more than one proxy may only vote on a poll.

Where that shareholder is a recognised clearing house within the meaning of the applicable listing rules for securities or other securities laws and regulations, it may authorise such person or persons as it thinks fit to act as its representative (or representatives) at any shareholders' general meeting, provided that if more than one person is so authorised, the authorisation must specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house (or its nominees) could exercise if it were an individual shareholder of the Company.

Article 82 The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a legal entity, either under seal or under the hand of a director or attorney duly authorised. The instrument of proxy shall specify the number of shares represented by the proxy. In the event that more than one proxy is appointed, the instrument of proxy shall specify the number of shares represented by each proxy.

Article 83 If the instrument for appointing a proxy is signed by an attorney of the appointer, the power of attorney to sign or other documents of authorisation shall be notarially certified. The notarially certified copy of that power of attorney or other authorisation documents and the instrument appointing the proxy shall be deposited at the premises of the Company or such other place as is specified for that purpose in the notice convening the meeting.

If the appointer is a legal person, its legal representative or such person as is authorised by resolution of its Board of Directors or other governing body may attend at any shareholders' general meeting of the Company as a representative of the appointer.

Article 84 Any instrument issued to a shareholder by the directors for use in appointing a proxy to attend and vote at meetings of the Company shall be in such format as to enable the shareholder to instruct the proxy to vote in favour of or against the motions according to his free will, and instructions shall be given in respect of each individual matter to be voted on at the meeting. The instrument of proxy shall contain the following information:

(1) the name of the principal, the class and number of shares held in the company;

(2) the name of the proxy;

(3) specific instructions by the shareholder, including instructions to vote for, against, or abstain from each item on the agenda of the shareholders' general meeting;

(4) the date of issue and validity period of instrument of proxy;

(5) the signature (or a seal). If the appointer is a legal person, the seal of the legal person entity shall also be affixed.

Article 85 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no notice in writing of such death, loss of capacity, revocation or transfer as aforesaid shall have been received by the Company at its premises before the commencement of the meeting at which the proxy is used.

Article 86 An individual shareholder who attends the shareholders' general meeting in person shall produce his identification card or other valid documents or certificates which can prove his identity. Where a proxy is appointed to attend the meeting, the proxy shall produce his own identification documents and the instrument for appointing a proxy.

A legal person shareholder shall attend the meeting by its authorised representative or the attorney as appointed by such authorised representative. An authorised representative who attends the shareholders' general meeting shall produce his identification card and valid documents which can prove his identity. Where an attorney is appointed to attend the meeting, the attorney shall produce his own identification card and the relevant power of attorney executed by such authorised representative pursuant to the laws.

Article 87 The Company shall, subject to the shareholders' general meetings being legally and validly held, and so far as the conditions permit, encourage a higher proportion of participation of shareholders in shareholders' general meetings through various means, including using modern information technology to establish an online voting platform.

Article 88 Online voting adopted for the shareholders' general meeting shall be conducted in accordance with the relevant laws, rules and regulations. Where online voting is adopted for the shareholders' general meeting, all shareholders whose names appear on the register of members on the record date for the purpose of the shareholders' general meeting, are entitled to exercise their voting rights through the online voting system of the shareholders' general meeting, provided that the voting right of the same shares shall be exercised only by one of the following ways: on-the-spot voting, online voting or otherwise as specified. In the case of repeated voting for the same shares, only the first vote is valid.

Article 89 The Board of Directors, independent directors and shareholders who meet the relevant requirements or investor protection institutions established in accordance with laws and regulations publicly request the shareholders to appoint them to exercise the proposal rights, voting rights and other shareholders' rights on their behalf, the solicitor shall disclose the soliciting announcement and relevant soliciting documents in accordance with the laws and regulations, and the Company shall cooperate. Consideration or de facto consideration for soliciting the shareholders' rights publicly is prohibited.

Article 90 The register of attendees of the meeting shall be prepared by the Company. Such register shall specify information such as the name of the persons (or units) attending the meeting, identity card number, number of shares or voting shares hold, name of the persons (or units) the proxy represents.

Article 91 The convener and the legal counsel retained by the Company shall jointly verify the qualification of shareholders according to the register of shareholders provided by the securities depository and clearing authority, and shall register the name of the shareholders and the number of their voting shares. Such registration shall be concluded prior to the announcement by the chairman of the shareholders' general meeting of the number of shareholders and their proxies attending the meeting and the total number of their voting shares.

Article 92 The chairman of the shareholders' general meeting shall, prior to the voting, declare the number of attending shareholders and proxies as well as the total number of their voting shares. The numbers of attending shareholders and proxies as well as the total number of their voting shares shall be subject to the register of the meeting.

Article 93 Where the shareholders' general meeting requires directors and senior management to attend the meeting, such directors and senior management shall attend and be subject to questioning by shareholders.

Article 94 The Company shall formulate rules of procedures of the shareholders' general meeting to specify in detail the convention and voting procedures of the meeting, including notice registration, deliberation of proposals, votes, vote counting, announcement of voting results, formation of resolutions, minutes and the signatures thereon, announcement, as well as the principles of authorisation by the shareholders' general meeting to the Board of Directors, the contents of such authorisation shall be expressly specified. The rules of proceedings of the shareholders' general meeting shall be an appendix of these Articles of Association, and shall be drafted by the Board of Directors and approved by the shareholders' general meeting.

Article 95 At the annual general meeting, the Board of Directors shall report their respective work of the previous year to the general meeting of shareholders, and each independent director shall also make his duty report correspondingly**.**

Article 96 Except for trade secret of the Company and issues which are not discloseable at shareholders' general meetings as provided by laws, regulations, or securities rules, directors and senior administrative officers shall reply or give explanation and description to the inquiries and suggestions raised by the shareholders at the Shareholders' general meeting**.**

Article 97 The board secretary shall be responsible for preparing minutes of shareholders' meetings, which shall contain:

(1) the time, venue, agendas of the meeting, and the name of the convener**;**

(2) the name of the chairman of the meeting, the directors and senior administrative officers attending the meeting;

(3) the number of shareholders and proxies attending the meeting, the total number of their voting shares and their respective proportions to the total number of shares of the Company;

(4) the process of deliberation of each proposal, the main points of speeches and the voting results;

(5) the inquiries or suggestions of the shareholders and the corresponding replies or explanations;

(6) the names of legal counsel, vote counters, and supervisors;

(7) other contents which, shall be contained in the minutes of the meeting as prescribed by these Articles of Association.

Article 98 The chairman shall guarantee the veracity, accuracy and completeness of the minutes of the meeting. The directors, board secretary, convener or their representative, chairman of the meeting shall sign on the minutes of the meeting. The minutes of meeting shall be kept together with the valid information such as the attendance register of the attending shareholders and the power of attorney of their proxies, the votes cast by way of internet and by other means shall be kept at the premises of the Company for a period ten years.

The convener shall ensure that the continuity of the shareholders' general meeting of until the final resolution is formed. Where the shareholders' general meeting is suspended or no resolution can be made due to force majeure or any other special causes, necessary measures shall be taken to resume or directly terminate the shareholders' general meeting, and an announcement shall be made in a timely manner. Meanwhile, the convener shall report this to the local office of the CSRC the stock exchange at the city where the Company is located.

Section 5 Voting and Resolutions at Shareholders' General Meetings

Article 99 Resolutions shall be divided into ordinary resolutions and special resolutions.

To adopt an ordinary resolution, votes representing more than one half of the voting rights represented by the shareholders (including the proxies) present must be exercised in favor of the resolution in order for it to be passed.

To adopt a special resolution, votes representing more than two thirds of the voting rights represented by the shareholders (including the proxies) present must be exercised in favor of the resolution in order for it to be passed.

Voting at a shareholders' meeting shall be taken by way of registered poll. Shareholders (including the proxies) who attend the meeting shall expressly state their opinions for every matter to be determined by voting in one of the following manners: For, Against, or Abstain, except for securities depository and clearing institutions which serve as nominal holders of stocks under the Shanghai-Hong Kong Stock Connect and declare the vote of each actual holder concerned. Voters whose ballots are incomplete, incorrectly completed or illegible shall be deemed as giving up their voting rights, thus the voting result in respect of their shares shall be counted as "Abstain".

When any shareholders (including proxy of any shareholders) shall abstain from voting or be limited to vote in favor of or against any designated resolution according to the relevant rules and regulations (including the listing rules of the exchange(s) where the Company is listed), any votes made by such proxy in contravention of the aforesaid regulation or limitation shall not be counted in the total number of voting shares.

Article 100 When voting at the shareholders' meeting, shareholders (including the proxies) may exercise their voting rights in accordance with the number of their voting shares and each share shall have one vote. When material issues affecting the interests of minority shareholders are considered at the shareholders' meeting, the votes of minority shareholders shall be counted separately. The results of separate vote counting shall be disclosed publicly in a timely manner. Shares held by the Company have no voting rights and these shares shall not count in the total number of voting shares represented at the meeting.

Where a shareholder purchases shares of the Company with voting rights in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed proportion shall neither be exercised within 36 months after the purchase, nor be included in the total number of shares with voting rights present at the shareholders' meeting.

Article 101 Any vote of shareholders at a shareholders' meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Article 102 Any resolution passed by a shareholders' meeting shall comply with the provisions of laws, regulations, the rules of the stock exchange where the Company is listed and these Articles of Association.

Article 103 On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

Article 104 The following matters shall be resolved by an ordinary resolution at the shareholders' meeting:

(1) Work reports of the Board of Directors;

(2) Plans formulated by the Board of Directors for distribution of profits and for making up losses;

(3) Appointment and removal of the members of the Board of Directors, their remuneration and method of payment;

(4) Annual report of the Company;

(5) Appointment and dismissal of accounting firms and determination of their remuneration;

(6) Matters other than those specified by laws, administrative regulations or these Articles of Association to be resolved by special resolutions.

Article 105 The following matters shall be resolved by a special resolution at a shareholders' meeting:

(1) The increase or decrease in registered of the Company;

(2) The issue of debentures of the Company;

(3) The division, spin-off, merger, dissolution, liquidation of the Company or change in the form of the Company;

(4) Amendments to these Articles of Association;

(5) Repurchase of the Company's shares as a result of decrease in registered capital of the Company;

(6) Purchase or sale of major assets or provision of a guarantee the amount of which within a year exceeds 30% of the Company's latest audited total assets;

(7) Share option scheme;

(8) Any other matters as provided by laws, administrative regulations or these Articles of Association and considered by the shareholders' meeting by way of an ordinary resolution to be of a nature which may have a material impact on the Company and shall be adopted by a special resolution.

Article 106 Any external guarantee made by the Company shall be considered and approved by the Board of Directors. The following external guarantees shall be approved at the shareholders' meeting after consideration and approval by the Board of Directors:

(1) Guarantee which is given after the total amount of the external guarantee provided by the Company and its controlling subsidiaries exceeds 50% of latest audited net assets;

(2) Guarantee which is given after the total amount of external guarantees given by the Company exceeds 30% of the latest audited total assets;

(3) Guarantees provided by the Company within one year exceed 30% of the latest audited total assets of the Company;

(4) Guarantee which is provided in favor of an entity which has an asset to liability ratio exceeding 70%;

(5) Guarantee of which the single guarantee amount exceeds 10% of the latest audited net assets of the Company;

(6) Guarantee which is provided to shareholders, Actual Controllers and their respective related parties;

(7) Any other guarantees which need to be submitted to the shareholders' meeting for consideration as stipulated by laws, regulations and these Articles of Association.

If there are any Directors, general manager or senior management personnel who violate the provisions of the laws, regulations or the Articles of Association relating to these approval authority and review procedures for external guarantee matters, thereby causing losses to the Company, the Company may file a lawsuit against them in accordance with law.

Article 107 The nominee list of Directors of the Company shall be submitted to the shareholders' general meeting for resolution. The Board of Directors shall simultaneously provide shareholders with bibliographical details, basic information about and written undertakings of nominees of Directors.

Article 108 When the shareholders' general meeting is examining and discussing a connected transaction, the connected shareholder shall not participate in the vote on the shares. His shares carrying the voting rights shall not be counted as valid votes in the total. The announcement on the resolutions passed by the shareholders' general meeting shall fully disclose information regarding the voting of the independent shareholders. If under special circumstances, the connected shareholders cannot withdraw from the voting, they may vote in the normal course of proceeding after the Company has obtained the approval from the competent authorities provided that the Company shall give detailed explanation thereof in the announcement on the resolutions passed by the shareholders' general meeting.

Article 109 The accumulative voting system shall be adopted in the election of two or more directors simultaneously (excluding directors assumed by staff representatives, but including independent directors) at the shareholders' meetings.

The accumulative voting system referred to herein means that, in the election of directors at the general meeting, each share carrying voting right shall carry the same number of voting right as the number of directors proposed to be elected, and the voting rights of the shareholders may be freely cast among the proposed directors, either be separately cast in favour of a number of nominees or be collectively cast in favour of one nominee. As such, based on the number of votes that the nominated directors have got and the number of directors proposed to be elected, those who have got more votes shall be elected.

Article 110 Differential voting shall be applied upon election of the Directors in accordance with the accumulative voting system. The number of nominees shall be more than the proposed number of Directors.

Article 111 After issue of notice of shareholders' meeting by the Company about election of Directors, shareholders holding individually or in aggregate more than 1% of the voting shares of the Company may propose nominees of Directors before the shareholders' meeting for review by the Board of Directors before submission to shareholders' meeting for examination. Shareholders holding individually or in aggregate more than 1% of the voting shares of the Company may propose nominees of independent directors for approval by the Board of Directors before submission to a shareholders' meeting for consideration and approval.

Article 112 Where the shareholders' meeting intends to deliberate the election of directors, the notice of meeting shall fully disclose the detailed information on the candidates for directors at least in the following aspects:

(1) Personal information such as educational background, work experience and other engagements;

(2) Whether such candidate has any affiliation with the Company or its controlling shareholders or Actual Controllers;

(3) The number of shares of the Company such candidate holds;

(4) Whether such candidate has been penalised by the CSRC or any other relevant authorities.

Save for election of directors by way of cumulative voting, a separate proposal shall be put forward for each candidate for directors.

Article 113 The independent directors shall be elected separately from other members of the Board of Directors in accordance with the accumulative voting system.

Article 114 Except for the resolution of accumulative voting system, the shareholders' general meeting shall vote on all motions item by item, and shall vote on the motions in time sequence when various proposals are put forward for a single matter. Unless the shareholders' general meeting is suspended or no resolution can be passed due to force majeure or any other special reasons, the shareholders' general meeting shall not set aside or cast no vote on the motions.

Article 115 When a motion is put to discussion at the shareholders' general meeting, no modification of the motion shall be made, or the relevant change shall be deemed as a new motion which shall not be voted at the meeting.

Article 116 Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutinisers. Any shareholder who is interested in the matter under consideration and proxies of such shareholder shall not participate in vote counting or scrutinising**.**

When the shareholders are voting on the motions, lawyers and shareholder representatives shall count and scrutinise the votes jointly, and the voting result will be announced forthwith. Voting on the resolutions will be recorded in the minutes of meeting.

Shareholders or their proxies that vote on line shall have the right to check and inspect their voting results through the relevant voting system.

Article 117 The on site shareholders general meeting shall not end earlier than the online means or other means. The chairman of the meeting shall announce the voting and result of each of the motions, and announce whether they are approved according to the results.

Before the results are officially announced, all the on site related parties such as the listed companies, vote counters, vote scrutinisers, substantial shareholders and network service providers are obliged to keep the result confidential.

Article 118 The chairman of the meeting shall announce the poll results at the meeting, which shall be recorded in the minutes of meeting.

Where online voting is provided at the shareholders' meeting of the Company concurrently, the number of votes by shareholders or their appointed representatives through online voting system of the shareholders' meeting shall be taken into the total number of votes of the shareholders' meeting together with the number of votes on site of the meeting and by other mean as specified.

Article 119 If the chairman of the meeting has any doubt as to the result of a resolution put to the vote of the meeting, he may have the votes counted. If the chairman of the meeting fails to have the votes counted, any shareholder who is present in person or by proxy and who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the declaration of the result, and the chairman of the meeting shall have the votes counted promptly.

Article 120 If votes are counted at a shareholders' general meeting, the vote counting result shall be recorded in the minutes of the meeting.

Article 121 Results of the resolution shall be announced in accordance with the applicable laws and the rules of the stock exchange where the Company is listed.

Article 122 For If the motion is not passed, or if the resolutions of the previous general meeting have been changed by the present shareholders' general meeting, special highlight should be made in the announcement of the resolutions of the shareholders' general meeting.

Article 123 When the shareholders' meeting has passed the profit distribution plans regarding cash distribution, bonus issue or conversion of capital common reserve into capital, the Company will complete the distribution of dividends within two months after the close of the shareholders' meeting and all administrative approvals (if necessary) are obtained.

Article 124 The minutes of meeting together with the attendance register of the attending shareholders and the power of attorney of their proxies shall be kept at the premises of the Company for a period of not less than ten years.

Article 125 Matters uncovered by these Articles of Association regarding the convening of shareholders' general meeting, voting procedures and deliberation of proposals shall be handled in accordance with the relevant provisions of laws and regulations effective in the PRC.

CHAPTER 9 PARTY COMMITTEE

Article 126 The Company shall establish the Party Committee consisting of adequate members in accordance with the Constitution of Communist Party of China (《中國共產黨章程》).The Party Committee shall have one secretary and several other members. The chairman of the Board of Directors and the secretary of the Party Committee shall be assumed by the same person in principle and the Party Committee shall set up a special position of deputy secretary who mainly takes in charge of the work of Party's building. Meanwhile, the Company shall establish the Discipline Committee in accordance with relevant regulations.

The Company shall provide financial support for the Party organization to carry out its work.

Article 127 The Party Committee of the Company shall perform its duties in accordance with the regulations of the Party including the Constitution of Communist Party of China (《中國共產黨章程》).The Party Committee shall play a leading role in providing direction, managing the overall situation, ensuring implementation, and discussing and deciding major matters of the Company according to the regulations.

Major business and management matters shall be studied and discussed by the Party Committee before the Board of Directors makes a decision. The main responsibilities of the Party Committee are:

(1) To strengthen the Party political construction of the Company, adhere to and implement the fundamental, basic and important systems of socialism with Chinese characteristics, educate and guide all Party members to always maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping at its core in terms of political stance, political direction, political principles and political path;

(2) To thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implement the Party's principles and policies, as well as supervise and guarantee the implementation of major strategies of the Party Central Committee and the resolutions of the higher Party organizations in the Company;

(3) To consider and discuss the significant operation and management matters of the Company and support the shareholders' meeting, the Board of Directors and the management in exercising their rights and performing their duties in accordance with the law;

(4) To strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, the cadres team and talents team of the Company;

(5) To lead the Company's efforts in ensuring Party conduct and integrity, lead and support the disciplinary oversight organization in fulfilling its supervisory, disciplinary, and accountability duties, strictly enforce political discipline and political rules, and promote comprehensive and strict governance practices throughout the organization;

(6) To strengthen the building of primary-level Party organizations and the Party member team, unite and lead the employees to actively contribute to the reform and development of the Company;

(7) To lead the Company's ideological and political work, improvement of cultural-ethical standards and united front work, and to lead the Company's trade unions, Communist Youth League, women's organizations, and other mass organizations.

Article 128 For the purpose of upholding and improving the "cross-appointment" system for leadership. Party committee members who meet the relevant conditions may enter the Board of Directors and management through legal procedures. Party members in the Board of Directors and management who meet the relevant conditions may enter the Party committee according to relevant rules and procedures.

CHAPTER 10 BOARD OF DIRECTORS

Article 129 The Company shall have a Board of Directors which is responsible to the shareholders' general meetings. The Board of Directors shall comprise at eight members, among which independent directors shall not be less than one-third of the members of the Board of Directors and not be less than three.

Article 130 The Board shall have a chairman and a vice-chairman. The chairman and the vice chairman shall be elected with the approval of more than half of all the directors. A director shall not be required to hold any shares of the Company.

Article 131 The Board shall exercise the following powers:

(1) To be responsible for the convening of the shareholders' general meeting and to report on its work to the shareholders' general meeting;

(2) To implement the resolutions of the shareholders' general meetings;

(3) To decide on the Company's operating principles, business plans, investment schemes and investment plans;

(4) To formulate the Company's profit distribution plan and plan for making up losses;

(5) To formulate proposals for increases or decrease in the registered capital and the issue of debentures or other securities of the Company as well as listing of such securities of the Company;

(6) To draw up plans for substantial acquisitions, purchase of the Company's shares or merger, division, spin-off, or dissolution and change in the form of the Company;

(7) To decide on matters relating to the Company's assets pledge, external guarantee, entrusted financial management, connected transaction, external donations, etc. according to authorisation of shareholders' general meeting;

(8) To decide on the Company's acquisition and sales of assets and external investments;

(9) To decide on the establishment of the Company's internal management structure;

(10) To appoint of dismiss the Company's president and the board secretary, and pursuant to the president's nominations to appoint or dismiss the vice president, the chief financial officer and other senior administrative officers of the Company and decide on their remunerations and rewards and punishments;

(11) To establish the Company's basic management system;

(12) To formulate proposals for amendments to these Articles of Association, and approve amendments to these Articles of Association caused by change in registered capital due to the Company's share issuance;

(13) To manage information disclosure of the Company;

(14) To establish and implement effective internal control system of the Company;

(15) To propose to the shareholders' general meeting for the engagement or change of accounting firm for the audit work of the Company;

(16) To receive the work report and to check the work of the president of the Company;

(17) To decide the Company's risk management system and legal compliance management system and supervise the relevant rules and their implementation; to guide, review and assess the internal audit, and approve annual audit report and significant audit report according to law;

(18) To review and approve adjustments in significant accounting policy and changes in accounting estimate of the Company (excluding those due to national policy adjustments);

(19) To exercise any other powers conferred by these Articles of Association or the shareholders' general meeting.

Except for resolutions of the Board of Directors in respect of the matters specified in Clauses (5), (6), (7) and (12) of this Article which shall be passed by more than two-thirds of all the directors, resolutions of the Board of Directors in respect of all other matters may be passed by more than one half of all the directors.

Matters beyond the scope of authorization of the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

Article 132 Prior to making decisions on material issues of the Company, the Board shall first seek advice from the Party Committee of the Company.

Article 133 The Board of Directors shall explain to the shareholders' general meeting regarding the non-standard auditors' advice given by the chartered accountant in relation to the financial report of the Company.

Article 134 The Board of Directors shall formulate the rules of procedures of board meetings to ensure the implementation by the Board of Directors of the resolutions of the shareholders' general meeting, the enhancement of work efficiency, and the guarantee of scientific decision making.

The rules of procedure of the Board of Directors set forth the holding and voting procedures of board meetings. The rules of procedure of the Board of Directors shall be an appendix to these Articles of Association, and shall be submitted to the shareholders' meeting for approval after being finalized by the Board of Directors.

Article 135 The Board of Directors shall determine external investment, acquisition and sale of assets, asset pledge, external guarantee, entrusted financial management, scope of powers for connected transactions, establishment of stringent examination and decision making procedures; specialists or professional personnel shall be organised to assess and examine any material investment projects and such investment projects shall be submitted to the shareholders' general meeting for approval.

Article 136 The Board of Directors shall perform its duties in accordance with State laws, administrative regulations, these Articles of Association and resolutions of the shareholders' general meeting to.

Article 137 The chairman of the Board of Directors shall exercise the following powers:

(1) To preside over the shareholders' general meeting, and to convene and preside over the meetings of the Board of Directors;

(2) To supervise and check the implementation of board resolutions;

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

(4) To exercise special disposal powers that are in compliance with laws, administrative regulations and in the interests of the Company on matters of the Company in case of force majeure such as extraordinarily serious natural calamities, and provide post-event reports to the Board and the shareholders' general meeting;

(5) To exercise other powers vested by the Board.

The Chairman of the Board of Directors and the president may exercise part of the powers of the Board of Directors upon authorization by the Board of Directors. The authorization by the Board of Directors and the exercise of the delegated duties by the authorized person shall comply with the relevant requirements of the authorization management measures and authorization list, which are formulated and approved by the Board of Directors.

Article 138 The vice chairman of the Company shall assist the chairman. Where the chairman is unable or fail to perform his duties, the vice chairman shall perform the duty on behalf of the chairman. Where the vice chairman is unable or fail to perform his duties, more than half of the directors may jointly elect one director to perform the duties.

Article 139 Regular board meetings shall be held at least four times every year and be convened by the chairman of the Board.

Board meetings shall be held in principle at the place where the Company is located. It may be held at other places both at home and abroad upon resolution by the Board of Directors.

Article 140 A special board meeting shall be convened by the Board when it is

(1) proposed by shareholders representing more than one tenth of voting rights;

(2) proposed by one third or more of the directors;

(3) proposed by the Audit and Risk Management Committee;

(4) considered necessary by the Chairman of the Board of Directors;

(5) proposed by more than half of the independent directors;

(6) proposed by the General Manager;

(7) requested to be convened by the securities regulatory organ;

(8) other circumstances stipulated by these Articles of Association.

The Chairman of the Board of Directors shall convene and preside over a board meeting within ten days after receiving such proposal.

Article 141 The method and time of notice of the board meeting as follows:

(1) Notify the directors via hand delivery, fax, email or other methods where delivery can be confirmed ten days before the date of the regular meeting;

(2) Notify the directors via hand delivery, telephone, fax, email or other methods where delivery can be confirmed five days before the date of the extraordinary meeting;

(3) For a meeting notice sent by hand, the recipient shall sign (or seal) the relevant receipt. The receipt date shall be the date of service; for a notice sent by registered mail, the 5th working day from the date of sending shall be the date of service; for a notice sent by fax, the day of sending shall be the date of service subject to the date indicated on the fax report; for a notice sent by e-mail, the time of e-mail reaching the recipient's specific system shall be the time of service;

(4) When a special meeting of the Board needs to be held as early as possible in case of an emergency, the meeting notice is allowed to be given by telephone or in other verbal forms at any time, and not subject to the time limits on meeting notice as mentioned in preceding paragraphs, provided that the convener makes necessary explanations at the meeting;

(5) Such notices shall be in Chinese, with English version when necessary.

Article 142 Notice of a board meeting shall contain:

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

(2) the method for which the meeting is held and the agenda;

(3) the purposes and matters to be discussed (the agendas);

(4) the convener and the chairman of the meeting, the person who proposes the special board meeting and his/her written proposal;

(5) the materials necessary for the directors to vote in the meeting;

(6) the request for the personal attendance of the directors or the attendance through the appointment of an alternate director;

(7) the contact person and the method of contact;

(8) the date of the notice.

Oral notice shall at least include the details of items (1) and (2) and the reason for convening an urgent special board meeting with short notice.

Article 143 Board meetings shall be held only if more than half of the directors are present. Each director shall have one vote. A resolution of the Board of Directors must be passed by more than half of all the directors.

Where a director (or his associate) is interested in any resolution proposed at a board meeting, such director shall abstain from voting and shall not have a right to vote. Such director shall not be counted in the quorum of the relevant meeting. Such directors also shall not vote on behalf of other directors. Board meetings may be convened by more than half of the directors who are not related. Resolutions of board meetings shall be passed by more than half of directors who are not related.

When the Board of Directors votes on matters relating to connected transactions, in the event that the number of voting directors is less than three after unrelated directors abstain from voting, all directors (including unrelated directors) shall vote on the procedures for the connected transactions to be submitted to the shareholders' general meeting for approval, and the relevant resolutions relating to such transactions shall be approved at the shareholders' general meeting, while an announcement stating the opinions of independent directors shall be made separately.

Article 144 If any director who attends the meeting but has not stated before or upon attendance that he has not received the notice of the meeting, such director shall be deemed to have received the notice of the meeting.

Article 145 Any regular or special board meeting may be held by way of telephone conference or similar communication equipment so long as all directors participating in the meeting can clearly hear and communicate with each other. All such directors shall be deemed to be present in person at the meeting.

Article 146 Voting at a board meeting shall be taken by way of registered poll.

For matters which need to be approved at a special board meeting, a written resolution may be adopted by the Board in lieu of convening a board meeting. In lieu of convening a board meeting, a resolution may be adopted by the Board if such resolution has been sent to all members of the Board by the ways as provided in these Articles of Association and affirmatively signed and adopted by the number of directors necessary to make such a decision as stipulated in Article 143.

Article 147 Directors shall attend any board meeting in person. Where a director is unable to attend for some reasons, he or she may authorise in writing another director to attend the board meeting on his behalf. The instrument of proxy shall specify the name of the proxy, the matters to be authorised, scope of authorisation and the validity period, and the proxy shall sign on or affix a chop to such instrument. The director attending the meeting for another director shall exercise the rights of the latter director within the scope of authorisation. Any director who is unable to attend a particular board meeting and has not authorised a proxy to attend on his behalf shall be deemed as waiving the right to vote at that meeting.

Article 148 The Board of Directors shall keep minutes of its decisions on the matters considered. Directors attending the meeting and the person taking the minutes shall sign their names on the minutes of the meeting. The opinions expressed by independent directors shall be specified in the resolutions of the board meetings. The attending directors are entitled to request that an explanatory record of their comments made at the meetings be noted in the minutes.

Any written resolution not signed by directors through legal procedures shall not have the effect as a board meeting resolution, even if it has been approved by each director in different ways.

Directors shall be responsible for the resolutions of the board meetings. Where a resolution of the board meetings violates laws, administrative regulations or Articles of Association and causes serious losses to the Company, the directors who took part in and voted for such a resolution shall be liable to compensate. However, if a director can prove that he had expressed his opposition to and voted against such resolution when it was put to the vote, which is recorded in the minutes of the meeting, the director may be relieved of such liability. Directors who abstain from voting on a resolution or fail to attend a meeting without appointing others to attend the meeting on their behalf shall not be absolved of responsibility; directors who clearly express their dissent during the discussion but fail to vote against the resolution shall also not be absolved of responsibility.

Article 149 The resolutions of all board meetings shall be recorded and filed in Chinese. The minutes shall be presented to all directors for examination as soon as possible after the meetings. Any director who intends to amend the minutes shall within six working days after receiving the same submit his proposed amendments in written to the chairman.

Minutes of board meetings shall be kept as records of the Company for a period of ten years.

Article 150 The completed and approved minutes shall be signed by the chairman and the attending directors (including the proxies) and the board secretary. A complete copy of the minutes shall be sent to every director as soon as possible.

Article 151 The minutes of meetings shall contain the following information:

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

(2) Names of the directors attending the board meeting in person and as proxies;

(3) Agendas of the meetings;

(4) Summary of the statements made by the directors;

(5) The method and result of voting for every resolution (with the number of votes for and against the resolution and the number of abstained votes.

Article 152 Directors of the Company are natural persons. A person shall be disqualified from being a director of the Company in any one of the following circumstances:

(1) The individual has no capacity to undertake civil liabilities or restricted capacity to undertake civil liabilities;

(2) A period of five years has not yet elapsed since the penalisation on conviction of corruption, bribery, unauthorised taking of properties, misappropriation of properties or disrupting social and economic order or being deprived of political rights for commission of offences, and less than two years have elapsed since the date of the completion of the probation period if probation is announced;

(3) A period of three years has not yet elapsed since the completion of the liquidation of any company or enterprise which was insolvent and where the person acted as a director, factory manager or manager of such company or enterprise and was personally liable for such insolvency;

(4) A period of three years has not yet elapsed since revocation of the business license or being ordered to close of a company or enterprise due to illegal business operations where the person was the legal representative of such company or enterprise and for which he was personally liable;

(5) The person is listed as a defaulter by the People's Court since he/she is personally liable for a substantial loan which was due for payment but remains unpaid;

(6) The person has been involved in criminal offences subject to investigation by judicial authorities and the case has yet been settled;

(7) The person is not eligible for acting as a director, supervisor or senior management of the Company according to laws or administrative regulations, or is publicly determined by a stock exchange to be unsuitable for serving as a director or senior management of a listed company, and the prescribed period has not yet expired;

(8) A period of five years has not yet elapsed since the person was adjudged by the relevant governing authority to be guilty of contravention of provisions of securities regulations involving fraud or dishonesty;

(9) Currently being barred by the China Securities Regulatory Commission from participating in the securities market;

(10) Other stipulations of laws, administrative regulations rules or departmental rules.

Any election and appointment of directors in breach of this Article will be void. Any directors who fall within one of the above categories during their term of service will be removed by the Company.

Article 153 Directors shall be elected and replaced at the shareholders' general meeting, with a term of office of three years. Directors (including alternate directors) shall have a term commencing on the date of the resolutions of the shareholders' general meeting and expiring upon conclusion of the tenure of the existing Board of Directors.

Upon expiry of his term, a director shall be eligible for re-election.

Where no new appointment is made upon expiry of the term of a director, the original director shall, prior to the new director entering on the office, continue to perform his duties as a director in accordance with the provisions of laws, administrative regulations and these Articles of Association.

President or other senior administrative officers shall serve the office of director concurrently. However, the total number of directors serving the office of president or other senior administrative officers concurrently and labour union representative holding the office of director shall not exceed half of the total number of directors of the Company. The Board of Directors shall include one employee representative. The employee representative director on the Board of Directors shall be directly elected by the Company through the employee representatives' meeting, the employees' meeting or other democratic elections.

Article 154 Directors shall be abided by the provisions of laws, administrative rules and these Articles of Association, owe to the Company the faithful obligations, shall take measures to avoid conflicts between their personal interests and the interests of the Company, and shall not exploit their positions to seek improper benefits.

Directors owe the following faithful obligations to the Company:

(1) Not to abuse their authority of office to offer bribes or solicit other illegal income and not to misappropriate the property of the Company**;**

(2) Not to misappropriate the capital of the Company;

(3) Not to deposit capital of the Company in any accounts which are opened in their own name or in the names of other persons**;**

(4) Not to act in violation of these Articles of Association and lend the Company's capital to others or provide guarantee to others by charging the Company's assets before obtaining consent at the shareholders' general meetings or at board meetings;

(5) Not to enter into contracts or transactions with the Company directly or indirectly without reporting to the Board of Directors or the shareholders' general meeting, and obtaining approval through a resolution of the Board of Directors or the shareholders' general meeting in accordance with the provisions of these Articles of Association;

(6) Not to use their position to obtain for themselves or others business opportunities which originally belonged to the Company, or to run themselves or others business which is in the Company's business line, before obtaining consent at the shareholders' general meeting;

(7) Not to gain for themselves commissions in transactions between others and the Company;

(8) Not to disclose the secrets of the Company without consent;

(9) Not to use their connections to hurt the interests of the Company;

(10) To be bound by other obligations stipulated by laws, administrative regulations, departmental rules and these Articles of Association.

Income which is obtained by any directors in violation of this Article shall be retained for the benefit of the Company. Any directors who act in violation of this Rule shall be liable for compensation for any losses caused to the Company.

The close family members of the directors and senior administrative officers, enterprises directly or indirectly controlled by the directors and senior administrative officers or their close family members, as well as connected persons with other connections to the directors and senior administrative officers, shall be subject to the provisions of item (5) of paragraph 2 of this Article when entering into contracts or conducting transactions with the Company.

Article 155 The directors shall be abided by laws, administrative rules and these Articles of Association, and owe to the Company the following diligence obligations:

(1) They shall exercise the rights granted by the Company with care and diligence to ensure that the Company's commercial activities are in compliance with laws, administrative rules and the requirements of all economic policies of the country and that its commercial activities have not gone beyond the scope stipulated in the business license;

(2) They shall treat all shareholders equally;

(3) They shall have a good knowledge of the Company's business operation;

(4) They are required to sign the written confirmation of the Company's regular report. They shall ensure the information disclosed by the Company is true, accurate and complete;

(5) They shall inform the Audit and Risk Management Committee of the truth and are not allowed to obstruct the Audit and Risk Management Committee from exercising their powers;

(6) They are bound by other diligence obligations stipulated by laws, administrative regulations, departmental rules and these Articles of Association.

Article 156 Directors shall be elected by the shareholders' general meeting from the Board of Directors or candidates nominated by shareholders individually or jointly holding 1% or more of the shares carrying the right to vote. At least seven days' notice of nomination of a candidate for election as a director and particulars of such candidate shall be given to the Company, and such seven days period shall start no sooner than the first day after the date of giving the notice and end no later than seven days prior to the date of such shareholders' general meeting.

The candidates for election as directors shall give at least seven days' prior written confirmation to the Company, and such seven days period shall start no sooner than the day after the date of giving the notice and end no later than seven days prior to the date of such shareholders' general meeting. The written confirmation shall indicate the willingness of the candidate to be nominated, and confirm that information of the candidate publicly disclosed are true and complete, that the candidate will faithfully discharge his duties as a director if he is elected.

Where shareholders individually or jointly holding 1% or more of the shares carrying the right to vote of the Company propose any special resolutions for election of non-independent directors at the Company's annual general meeting, written notice of the intention to propose a candidate for election as a director, notice by such candidate of his willingness to be elected and details and confirmation of the candidate shall be given to the Company no less than seven days prior to the date of the meeting appointed for such election. The seven days period shall start no sooner than the first day after the date of giving the notice and end no later than seven days prior to the date of such shareholders' general meeting.

The shareholders' general meeting may by ordinary resolution remove any director before the expiration of his term of office (but without prejudice to such director 's right to claim damages based on any contract), with the removal taking effect on the date the resolution is passed on the condition that all the relevant laws and administrative regulations are fully complied with. Where a director is removed before the expiration of the term of office without just cause, the director may require the Company to provide compensation.

Article 157 The election of directors shall be based on a cumulative voting system. The number of votes obtained by the director's candidates shall exceed half of the voting rights represented by the persons attending the shareholders' general meeting.

Article 158 A director who fails to attend in person and does not entrust other directors to attend two consecutive board meetings shall be deemed as unable to perform his duties. The Board of Directors shall propose to the shareholders' general meeting to remove such director.

Article 159 A director may resign before the expiration of his term. The resigning director shall submit to the Board of Directors a notice of resignation, and the resignation shall take effect on the date the Company receives the resignation report. An independent director is required to explain any matter relating to his/her resignation or which he/she considers necessary to be brought to the attention of the shareholders and creditors of the Company. The Company shall disclose the relevant information within two trading days.

If a director 's resignation results in the number of directors constituting the Board of Directors to fall below the quorum, the notice of resignation of such directors shall become effective only when the vacancy arising from his resignation has been filled by a new director. The Company shall convene an extraordinary general meeting or employee representatives' meeting as soon as possible to elect a new director to fill the vacancy arising from the resignation of such director. The original director shall perform his duties as a director according to laws, administrative regulations, departmental rules and the relevant provisions of these Articles of Association before the new director assumes office. The power of the resigning director and the Board of Directors consisting of the remaining directors shall be subject to due restrictions until the shareholders' general meeting has made a resolution in respect of the re-election of a director to fill the vacancy.

In the event that the resignation of an independent director results in the proportion of independent directors on the Board of Directors or its special committees falling below the minimum number required by applicable laws and regulations or the Articles of Association or a lack of accounting professionals among the independent directors, the independent director who intends to resign shall continue to perform his/her duties until a new independent director is elected. The Company shall complete the election of a new independent director within sixty days from the date on which the independent director submits his/her resignation. The resignation letter of the independent director shall take effect after the vacancy is filled by the new independent director.

Where directors leave the Company before expiry of their terms of office, they shall compensate the Company for any losses arising from their unauthorised resignation.

Except the circumstances specified above, the resignation of a director shall become effective upon the notice of resignation is served to the Board of Directors.

If a director who is the legal representative resigns, he/she shall also be deemed to have resigned from the position of legal representative.

Article 160 Upon the resignation taking effect or the expiry of the term of office of a director, such director shall duly complete all handover. The fiduciary duties owed by such director to the Company and the shareholders will not be released for certain before or within a reasonable period of time after the resignation takes effect and upon the expiry of his term of office. The obligation of confidentiality of such director in relation to the commercial secrets of the Company remains effective after the term of such director ends until such commercial secrets become public information. The liability of a director arising from the performance of duties during the term of office shall not be exempted or terminated due to the departure from the position The continuity of other obligations shall be determined on the principle of fairness, and dependent on the length of time between the incident occurs and the resignation, as well as the conditions and circumstances under which the director terminates his relationship with the Company. It shall be implemented in accordance with the Company Law, the listing rules of the stock exchange where the Company is listed and the provisions of these Articles of Association.

Article 161 Without stipulation by these Articles of Association or lawful authorisation by the Board of Directors, no director shall in his own name act for the Company or the Board of Directors. Where a director acts in his own name but a third party reasonably believes that such director is acting for the Company or the Board of Directors, such director shall declare in advance his position and status.

Article 162 Where an executive director violates any laws, administrative regulations, departmental rules or the provisions of these Articles of Association in the course of performing his duties and causes loss to the Company, such executive director shall be liable for compensation.

Article 163 The Board of Directors shall establish the Strategy and Investment Committee, the Audit and Risk Management Committee, the Nomination Committee, the Remuneration and Assessment Committee and the Aviation Safety Committee and other special committees. Among them, the majority of the members in each of the Audit and Risk Management Committee, the Nomination Committee and the Remuneration and Assessment Committee shall be independent directors and the chairman shall be an independent director. The Audit and Risk Management Committee shall be more than half of independent directors and the chairman shall be an independent director specializing in accounting. Employee representatives on the Board of Directors of the Company may serve as members of the Audit and Risk Management Committee.

The special committees are accountable to the Board of Directors, and the proposals made by each of the special committees shall be submitted to the Board of Directors for review and decision.

The major powers and functions of each special committee shall be determined in accordance with the relevant regulations of the place where the Company is listed.

The Company does not establish a supervisory committee. The powers and functions that should be exercised by the supervisory committee under the Company Law and other laws and administrative regulations shall be exercised by the Audit and Risk Management Committee.

The special committees may engage intermediaries for professional advice, and the expenses incurred shall be borne by the Company.

CHAPTER 11 INDEPENDENT DIRECTORS

Article 164 The independent directors shall have no other position in the Company (other than as director of the Company), and shall not be interested in, directly or indirectly, the Company, its major shareholders or Actual Controllers, or have any other relationship that will influence their independent and objective judgment.

Independent directors shall perform their duties independently without being influenced by any entities or individuals such as the Company, its major shareholders and Actual Controllers.

Article 165 The number of independent directors in the Board of Directors shall be not less than one-third of the members of the Board of Directors and not less than three, with at least one independent director shall be an accounting professional. Independent directors shall carry out their duties honestly and faithfully, protect the Company's interest and in particular prevent encroachment of the rights and interests of public shareholders.

Article 166 Serving as an independent director shall meet the following requirements:

(1) He shall be qualified as a director of a listed company according to the laws, administrative rules and other relevant rules of the jurisdiction where the Company's shares are listed;

(2) He shall have the independence as required by laws, regulations, other normative documents and the listing rules as stipulated in Article 198 of these Articles of Association;

(3) He shall have the basic knowledge of operating a listed company, and is well acquainted with the relevant laws, administrative rules and other rules and regulations;

(4) He shall have at least five years of experience in the legal , accounting or economic field necessary for performing his duties as an independent director, or other experience necessary for performance of his duties as an independent director;

(5) He shall have good personal character, and no major dishonesty or other bad records;

(6) Other conditions set forth in the laws and administrative regulations in the place where the Company's shares are listed, the requirements of the CSRC, the business rules of the stock exchange in the place where the Company's shares are listed and these Articles of Association.

Article 167 Independent directors shall maintain their independence. Unless otherwise required by applicable laws, regulations, other normative documents and/or the relevant listing rules, the following persons shall not be independent directors of the Company:

(1) Persons who are employed by the Company or its subsidiaries, and their spouses, parents, and offspring, and close relatives (close relatives mean siblings, brother-in-law and sister-in-law, and the siblings of the spouses, the spouses of the offspring, and the parents of the spouses of the offspring);

(2) Natural persons who hold directly or indirectly more than 1% of the Company's issued shares, or who are among the top ten shareholders of the Company, and spouses, parents and offspring thereof;

(3) Persons employed by company shareholders which hold directly or indirectly more than 5% of the issued shares of the Company or are among the top five shareholders of the Company, and spouses, parents and offspring thereof;

(4) Persons who are employed by the subsidiaries of the controlling shareholders and Actual Controllers of the Company, and spouses, parents and offspring thereof;

(5) Persons who have significant business transactions with the Company, its controlling shareholders, Actual Controllers or their respective subsidiaries, or persons who are employed by the entities and their controlling shareholders and Actual Controllers that have such significant business transactions;

(6) Persons who provide financial, legal, advisory, sponsorship and other services to the Company and its controlling shareholders, Actual Controllers or their respective subsidiaries, including but not limited to all members of the project, review officers at all levels, personnel signing on the reports, partners, directors, senior management officers and the persons in charge of the intermediaries providing such services;

(7) Persons who fell under any of the above circumstances as described in items (1) to (6) in the past twelve months;

(8) Other persons without such independence as specified in laws, administrative regulations, the requirements of the CSRC, the business rules of stock exchange in the place where the Company's shares are listed and these Articles of Association. The subsidiaries of the controlling shareholders and Actual Controllers as described in the above items (4) to (6) shall not include the enterprises that are under common control of a state-owned asset management institution and do

not constitute related relationship with the Company in accordance with relevant requirements.

Independent directors shall conduct an annual self-review of their independence, and report the review results to the Board of Directors. The Board of Directors shall assess and give special opinions on the independence of the incumbent independent directors on an annual basis, and disclose the same with the annual report of the Company.

Article 168 Independent directors owe a duty of fidelity and diligence to the Company and its shareholders. They shall perform their duties by participating in decision-making, supervision and balance, and professional consultation in the Board of Directors in accordance with the relevant laws, administrative regulations, the requirements of the CSRC, the rules of the stock exchange and these Articles of Association, and shall protect the interests of the Company and safeguard the rights and interests of minority shareholders.

Independent directors shall, in principle, serve as independent directors in a maximum of three domestic listed companies and shall ensure that they have sufficient time and ability in efficiently discharging their duties of independent directors.

Article 169 Nomination, election, replacement, removal, and resignation of independent directors:

(1) The Board of Directors and shareholder(s) who alone or jointly with other persons hold(s) more than 1% of the issued shares of the Company shall have the right to nominate candidates as independent directors, and the nominated candidates shall become independent directors by election.

The investor protection institutions established in accordance with law may publicly request the shareholders to entrust them to exercise the right to nominate independent directors on their behalf.

The nominator shall not nominate persons with interests or other close associates who may affect the independent performance of their duties as candidates for independent directors.

(2) The nominator shall have the approval of the proposed candidate for the nomination before making a nomination. The nominator shall have adequate knowledge of the profession, education, professional title and detailed work experience of the nominee as well as status of all his part-time jobs, and whether there are any bad records such as serious dishonesty, etc. The nominator shall also comment on the nominee's qualification for independence and other conditions for the nominee serving as an independent director. The nominee shall make a public statement asserting his qualification for independence and other conditions for him serving as an independent director.

The nomination committee shall review the qualifications of the nominee and form a clear review opinion.

Before convening the shareholders' meeting for the election of independent directors, the Company shall submit the relevant materials such as the contents disclosed above to the stock exchange where the Company's shares are listed, and the relevant materials shall be authentic, accurate and complete.

The stock exchange shall review the relevant materials of the candidates for independent directors pursuant to the regulations, make a prudent judgement on whether the candidates for independent directors meet the qualifications and have the right to raise an objection. The Company shall not propose any candidate to the shareholder's meeting for election if the stock exchange objects to such candidate.

(3) Cumulative voting system shall be adopted for the election of two or more independent shareholders at a shareholders' meeting. The votes of minority shareholders shall be counted separately and disclosed.

(4) The terms of office of the independent directors are the same as those of other directors. Re-election is allowed upon the expiration of the term, but the successive term may not be extended to more than six years.

(5) An independent director may be removed by the Company in accordance with legal procedures prior to the expiry of his/her term of office. In case of any early removal of an independent director, the Company shall make a timely disclosure of the specific reasons and evidence. In case that the independent director has an objection, the Company shall disclose in a timely manner.

An independent director who fails to attend in person two consecutive board meetings and does not appoint another independent director to attend on his/her behalf, the Board of Directors shall propose to convene a shareholders' meeting to remove him from his position as an independent director within thirty days from the date of the occurrence of such fact.

(6) Independent directors may resign before the expiration of their terms. A resigning independent director shall submit written resignation to the Board of Directors. The written resignation shall contain explanations on matters related to his resignation or any other matters which in his opinion, should be brought to the notice of the shareholders and creditors of the Company.

(7) If the resignation of an independent director or the removal of the same due to involving in the relevant circumstances result in the proportion of independent directors in the Board of Directors or the special committees thereunder to fall below such proportion as required under laws or these Articles of Association or a lack of accounting professionals among the independent directors, the independent director who intends to resign shall continue to perform his duties until the date on which a new independent director is appointed. The Company shall complete the election of a new independent director within sixty days from the date on which the independent director tenders his/her resignation.

Article 170 Rights and obligations of independent Directors

(1) Independent directors shall fulfill the following duties:

1. to participate in the decision-making of the Board of Directors and provide explicit opinions on the matters discussed;

2. to supervise matters as stated in the Measures for the Administration of Independent Directors of Listed Companies that indicate potential material conflict of interests between the Company and its controlling shareholders, Actual Controllers, directors and senior management so as to ensure that the decision-making of the Board of Directors are in line with the overall interests of the Company and to protect the legitimate interests of the minority shareholders;

3. to provide professional and objective advice on the Company's operation and development, thereby facilitating improvement in the standard of the decision-making of the Board of Directors;

4. other duties as stipulated by laws, administrative regulations, the requirements of the CSRC, the regulatory rules of the stock exchange where the Company's shares are listed, and these Articles of Association.

(2) In addition to having those powers granted by the Company Law and other relevant laws, normative documents and these Articles and Association to directors, the independent directors shall have the following special powers:

1. To independently engage intermediaries to conduct audit, consultation or inspection on specific matters of the Company;

2. To propose to the Board of Directors with respect to the convening of extraordinary general meetings;

3. To propose the conve ning of board meetings;

4. To publicly solicit and collect the shareholders' rights legally;

5. To express independent opinions on matters that may prejudice the interests of the Company or minority shareholders;

6. Other powers conferred by laws, administrative regulations, the requirements of the CSRC, the regulatory rules of the stock exchange where securities of the Company are listed, and these Articles of Association.

For performing the duties contained in items 1 to 3 in the preceding article, independent directors shall obtain the prior consent of more than half of all independent directors. The Company shall make disclosures in due course when independent directors perform the duties and authorities in item 1. In case of failure to perform the duties and authorities stated above, the Company shall disclose the details and reasons.

(3) Independent directors shall continue to pay attention to the implementation of the resolutions of the Board of Directors in relation to the matters of potential major conflicts of interests as specified in the Measures for the Administration of Independent Directors of Listed Companies, and shall report to the Board of Directors in a timely manner and may require the Company to make written explanations if they find any violation of laws, administrative regulations, the requirements of the CSRC, the rules of the stock exchange where securities of the Company are listed, or these Articles of Association, or violation of the resolutions of the shareholders' meeting and the board meetings.

If a disclosable matter is involved, the Company shall disclose it in a timely manner. If the Company fails to give an explanation or make a timely disclosure in accordance with the provisions stipulated in preceding paragraph, the independent directors may report the failure to the CSRC and the stock exchange.

Article 171 Independent directors shall present their annual work reports to the shareholders' meeting and explain their performance of duties. The annual work report of independent directors shall be disclosed no later than the time when the Company issues the notice of the annual general meeting.

Article 172 The following matters shall be submitted to the Board of Directors for consideration after being approved by a majority of all independent directors of the Company:

(1) Related-party transactions that shall be disclosed;

(2) The proposals for change or waiver of commitments by the Company and related parties;

(3) Decisions made and measures taken by the Board of Directors in response to the acquisition of the Company;

(4) Other matters as specified by laws, administrative regulations, the requirements of the CSRC and these Articles of Association.

Article 173 To ensure that independent directors will be able to perform their duties efficiently, the Company shall provide the following necessary conditions and personnel support to the independent directors:

(1) The Company shall ensure that independent directors have the same right of access to information as its other directors.

(2) The Company shall give notice of board meeting to independent directors in a timely manner and provide relevant materials;

(3) The Company shall provide necessary working conditions and personnel support to independent directors for the performance of their duties.

(4) The Company and its relevant personnel shall actively cooperate with the independent directors when the latter perform their duties.

(5) The expenses incurred as a result of the engagement by the independent directors of professional institutions because of the performance of their duties shall be borne by the Company.

(6) The Company shall pay the independent directors with subsidies commensurate with the responsibilities assumed by them. The rate of such subsidies shall be proposed by the Board and approved by the shareholders' general meeting, and shall also be disclosed in the Company's annual report.

Apart from the above subsidies, independent directors shall not take any extra and undisclosed interests from the Company or from its major shareholders, Actual Controllers or interested entities and other persons.

(7) The Company shall establish a requisite liability insurance system for independent directors to mitigate the risks that may be caused by independent directors in normal performing their duties.

Article 174 Independent directors shall regularly or irregularly convene special meetings (hereinafter referred to as the Special Meetings of Independent Directors). Matters listed in the items 1 to 3 to the paragraph (2) of Article 170 and Article 172 of these Articles and Association shall be considered at the Special Meetings of Independent Directors.

The Special Meetings of Independent Directors may study and discuss other matters of the Company as needed.

The Company shall provide assistance and support for the convening of the Special Meetings of Independent Directors.

Article 175 The Special Meetings of Independent Directors shall be convened and chaired by an independent director jointly elected by more than half of the independent directors; in the event that the convenor fails to perform his duties or is unable to perform his duties, two or more independent directors may convene the meeting on their own initiative and elect a representative to chair the meeting.

CHAPTER 12 SECRETARY TO THE BOARD OF DIRECTORS OF THE COMPANY

Article 176 The Company shall have a board secretary, who is a senior administrative officer of the Company.

Article 177 The board secretary of the Company shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the Board of Directors. The primary responsibilities of the board secretary are:

(1) to prepare for shareholders' general meetings and board meetings;

(2) to ensure that Company has maintain complete constitution documents and records;

(3) to ensure that the Company prepares and delivers in accordance with law those reports and documents required by competent authorities entitled thereto;

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

(5) to organize relevant trainings for the Company's directors and senior management personnel, and urge them to abide by regulations and fulfill their commitments;

(6) to arrange for information disclosure affairs and investor relations management;

(7) to fulfill other duties as required by laws, administrative regulations, the requirements of the CSRC, the rules of the stock exchange and these Articles of Association.

Article 178 A director or other senior administrative officer of the Company may hold the office of board secretary concurrently. However, president, chief financial officer and the accountant(s) of the certified public accountant firm appointed by the Company shall not act as board secretary.

Provided that where the office of board secretary is held concurrently by a director and an act is required to be done by a director and a board secretary separately, the person who holds the office of director and board secretary may not perform the act in dual capacity.

CHAPTER 13 SENIOR ADMINISTRATIVE OFFICERS

Article 179 The Company shall have one president, who shall be appointed and dismissed by the Board of Directors. The term of office of the president is three years, which is the same as the Board of Directors, renewable upon reelection. The Company shall have a certain number of vice presidents and other senior management who will assist the president in his work.

The Board of Directors may decide that a member of the Board of Directors will concurrently act as the president.

Article 180 The president shall be accountable to the Board of Directors and exercise the following functions and powers:

(1) To be in charge of the Company's production, operation and management and to organise the implementation of the resolutions of the Board of Directors;

(2) To organise the implementation of the Company's annual business plan and investment plan;

(3) To draft plans for the establishment of the Company's internal management structure;

(4) To establish the Company's basic management system;

(5) To formulate basic rules and regulations for the Company;

(6) To propose the appointment or dismissal of the Company's vice president(s), chief financial officer and other senior administrative officers;

(7) To appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;

(8) To request the convening of special meeting of the Board;

(9) Other powers conferred by these Articles of Association and the Board of Directors.

Article 181 The president may be present at meetings of the Board of Directors. The president has no voting rights at the board meetings unless he is also a director.

Article 182 The president and vice presidents and other senior management, in exercising their functions and powers, shall act faithfully and diligently in accordance with laws, administrative regulations, these Articles of Association and the requirements of the rules of working procedures of the Company's president, authorization list and other systems, etc.

The president and vice presidents and other senior management shall not, in exercising their functions and powers, vary the resolutions of Board meetings or exceed the scope of their authorities.

Article 183 The president shall prepare the rules of working procedures for approval by the Board before implementation. The working procedures of president contain the following:

(1) Requirements for the convening of, procedures for, and persons attending to the president meeting;

(2) Respective duties and responsibilities and division of work of president and other senior administrative officers;

(3) Scope of power of using the funds and assets of the Company and entering into material contracts, and the system of reporting to the Board e;

(4) Other matters deemed necessary by the Board.

Article 184 The president, vice president and other senior management may resign before expiration of his term of office. The specific procedures and measures are subject to the related articles of the service contract between the president, vice president and other senior management and the Company.

Article 185 Article 152 of these Article of Association in relation to the eligibility of the directors and Article 160 concerning the resignation management system also apply to other senior administrative officers; article 154 in relation to the fiduciary obligations of directors and clauses (4) to (6) of Article 155 concerning the diligence obligations also apply to the senior administrative officers of the Company.

Article 186 For loss borne by the Company due to the breach of laws, administrative regulations, departmental rules and these Articles of Association by the senior administrative staff in the course of performing their duties, the responsible person shall bear the liabilities.

CHAPTER 14 QUALIFICATIONS AND DUTIES OF THE DIRECTORS AND SENIOR ADMINISTRATIVE OFFICERS OF THE COMPANY

Article 187 A person may not serve as a director and senior administrative officer of the Company if any of the circumstances of Article 152 in these Articles of Association applies.

Persons who hold administrative positions other than directors and supervisors in any entity of the controlling shareholders or beneficial controller shall not be appointed as senior management personnel of the Company, unless there is an exemption approved by the CSRC. The senior management personnel of the Company shall be independent from its controlling shareholders or beneficial controller. Any senior management personnel of the Company's controlling shareholder who serves concurrently as a director of the Company shall ensure that he/she has sufficient time and effort to work for the Company.

In the event that any of the aforesaid circumstances occurs to the incumbent directors, the Board of Directors shall immediately cease the duties of such director from the date on which it becomes aware of the circumstances, and propose that the general meeting or the employee representatives' meeting replace him/her. In the event that any of the aforesaid circumstances occurs to the incumbent senior management, the Board of Directors shall immediately cease the duties of such senior management from the date on which it becomes aware of the circumstances, and convene a Board meeting to replace him/her.

Article 188 The fiduciary duties of the directors and senior administrative officers of the Company do not necessarily cease with the termination of their tenure. The duty of confidentiality in relation to trade secrets of the Company survives the termination of their tenure. Other duties may continue for such period as fairness may require depending on the time lapse between the termination and the act concerned and the circumstances under which the relationships between them and the Company are terminated.

Article 189 Where a director and any senior administrative officer of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company, (other than his contract of service with the Company), he shall declare the nature and extent of his interests to the Board of Directors at the earliest opportunity, whether or not the contract, transaction or arrangement or proposal therefor is otherwise subject to the approval of the Board of Directors.

Unless the interested director and senior administrative officer discloses his interests in accordance with this Article and the contract, transaction or arrangement is approved by the Board of Directors at a meeting in which the interested director or senior administrative officer is not counted in the quorum and has abstained from voting, a contract, transaction or arrangement in which that director and senior administrative officer is materially interested is avoidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested director or senior administrative officer. For the purposes of this Article, a director and senior administrative officer of the Company is deemed to be interested in a contract, transaction or agreement in which an associate of him is interested.

Article 190 Where a director and senior administrative officer of the Company gives to the Board of Directors a general notice in writing stating that, by reason of the facts specified in the notice, he is interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, that notice shall be deemed for the purposes of the preceding Article to be a sufficient declaration of his interests, so far as the content stated in such notice is concerned, provided that such general notice shall have been given before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company.

Article 191 The Company shall not in any manner pay taxes for or on behalf of a director and any senior administrative officer.

Article 192 The Company shall not directly or indirectly make a loan to or provide any guarantee in connect with the making of a loan to a director and senior administrative officer of the Company or of the Company's holding company or any of their respective associates. However, the following transactions are not subject to such prohibition:

(1) The provision by the Company of a loan or a guarantee of a loan to a company which is a subsidiary of the Company;

(2) The provision by the Company of a loan or a guarantee in connection with the making of a loan or any other funds to any of its directors and senior administrative officers to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders in shareholders' general meeting;

(3) The Company may make a loan to or provide a guarantee in connection with the making of a loan to any of the relevant directors and senior administrative officers or their respective associates in the ordinary course of its business on normal commercial terms, provided that the ordinary course of business of the Company includes the lending of money or the giving of guarantees.

Article 193 A loan made by the Company in breach of Article 192 shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Article 194 A guarantee for repayment of loan provided by the Company in breach of Article 192 shall not be enforceable against the Company, unless:

(1) the guarantee was provided in connection with a loan to an associate of any of the directors and senior administrative officers of the Company or of the Company's holding company and at the time the loan was advanced the lender did not know the relevant circumstances; or

(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

Article 195 For the purpose of the foregoing provisions of this Chapter, a "guarantee" includes an undertaking or property provided to secure the performance of obligations by the obligor.

Article 196 In addition to any rights and remedies provided by the laws and administrative regulations, where a director or senior administrative officer of the Company is in breach of his duties to the Company, the Company has a right to:

(1) claim damages from the director and senior administrative officer in compensation for losses sustained by the Company as a result of such breach;

(2) rescind any contract or transaction entered into by the Company with the director and senior administrative officer or with a third party (where such third party knows or should know that there is such a breach of duties by such director and senior administrative officer);

(3) demand an account of the profits made by the director and senior administrative officer in breach of his duties;

(4) recover any monies received by the director and senior administrative officer which should otherwise have been received by the Company, including but not limited to commissions; and

(5) request such director and senior administrative officer to return the interests accrued or may be accrued on the monies which should have been paid to the Company.

Article 197 The Company shall, with the prior approval of shareholders in shareholders' general meeting, enter into a contract in writing with a director wherein his emoluments are stipulated. The aforesaid emoluments shall include:

(1) the emoluments in respect of his service as director of the Company;

(2) the emoluments in respect of his service as director of any subsidiary of the Company;

(3) the emoluments in respect of the provision of other services in connection with the management of the affairs of the Company and any of its subsidiaries;

(4) the payment by way of compensation for loss of office, or as consideration for or in connection with his retirement from office.

Except under a contract entered into in accordance with the foregoing, no proceedings may be brought by a director against the Company for the benefits due to him in respect of the matters mentioned in this Article.

Article 198 With approval , the Company may buy liability insurance for directors and senior administrative officers of the Company. The annual renewal of abovementioned liability insurance shall be considered and approved by the Board of Directors upon a resolution is made at the shareholders' meeting.

CHAPTER 15 FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Article 199 The Company shall establish its financial and accounting systems in accordance with laws, administrative regulations and the PRC accounting standards formulated by the finance regulatory department of the State Council.

Article 200 The Gregorian calendar year system shall be adopted for the Company's accounting year, which will commence from January 1 and end on 31 December of Gregorian calendar. The Company's accounting records are denominated in Renminbi, and the accounting records shall be prepared in Chinese.

After the end of each fiscal year, the Company shall prepare a financial report, which shall be audited by the accounting firm.

Article 201 The Board of Directors of the Company shall place before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or directives promulgated by competent regional and central governmental authorities to be prepared by the Company. Such report shall be verified.

Article 202 The Company's financial reports shall be made available for shareholders' inspection at the Company twenty days before the date of every annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.

Article 203 The financial statements of the Company shall, in addition to being prepared in accordance with the PRC accounting standards and regulations, be prepared in accordance with either international accounting standards, or that of the place outside the PRC where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the financial statements. When the Company is

to distribute its after-tax profits, the lower of the after-tax profits as shown in the two financial statements shall be adopted. According to the relevant laws and regulations, profit distribution by the Company shall be based on the distributable profit of its parent company (non-consolidated statements).

Article 204 Any interim results or financial information published or disclosed by the Company must also be prepared and presented in accordance with the PRC accounting standards and regulations, and also in accordance with either international accounting standards or that of the overseas place where the Company's shares are listed.

Article 205 The Company shall submit and disclose its annual report to the CSRC and stock exchanges within four months from the end of each fiscal year, and shall submit and disclose its interim report to the local office of the CSRC and stock exchanges within two months from the end of the first half of each fiscal year.

The Company shall publish its quarterly financial report, interim financial report and annual financial report every fiscal year. The quarterly reports shall be prepared within thirty days after the first quarter and the third quarter, respectively. The interim report shall be published within sixty days after the first six months of each of the fiscal year and the annual report shall be published within 120 days after the expiration of the fiscal year.

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

Article 206 The Company shall not keep accounts other than those provided by law. Assets of the Company shall not be deposited in an account maintained in the name of any individual.

Article 207 The Company's after-tax profit shall be distributed in accordance with the following order:

(1) Making up for losses;

(2) Allocation to the statutory common reserve fund;

(3) Allocation to the discretionary common reserve fund;

(4) Payment of dividends in respect of ordinary shares.

The Board of Directors shall, in accordance with the laws and administrative regulations of the State (if any) and the Company's operation and development requirements, determine the specific proportions of profit distributions in clauses (3) to (4) of Article 262 and submit its determination to the shareholders' general meeting for approval.

Article 208 When distributing each year's after-tax profits, the Company shall set aside 10% of such profits for the Company's statutory common reserve fund, except where the accumulated balance of the said fund has reached 50% of the Company's registered capital.

Where the balance of the Company's statutory common reserve fund is insufficient to make up for the losses incurred in the previous year, the Company shall apply the current year's profits to recover such losses before allocating any such profits to the statutory common reserve fund as aforementioned.

After the Company has allocated its after-tax profits to the statutory common reserve fund, it may, with the approval of the shareholders by way of resolution in a shareholders' general meeting, further allocate its after-tax profits to the discretionary common reserve fund.

After the Company has recovered its losses and made allocations to its common reserve fund, the remaining profits shall be distributed to the shareholders in proportion to their respective shareholdings, except where distribution by such proportion is not required under these Articles of Association.

Where the profit is distributed to the shareholders by the general meeting or the Board of Directors before making-up for losses and transfer to the statutory common reserve in violation of the above provisions, the profit so illegitimately distributed shall be returned to the Company.

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

Article 209 Capital common reserve fund includes the following:

(1) Premium on shares issued at a premium price;

(2) The amount of proceeds from issuance of no-par stocks not included in the registered capital;

(3) Any other item designated for the capital common reserve fund by the regulations of the finance regulatory department of the State Council. The common reserve fund of the Company shall be applied to make up losses, expand the Company's production and operation or increase the Company's registered capital.

The discretionary common reserve fund and the statutory common reserve fund shall be first used in making up the losses of the Company, and when the losses still cannot be made up, the capital common reserve fund can be utilized according to the requirements.

When the Company converts its common reserve fund into its registered capital upon a resolution adopted in shareholders' general meeting, the Company shall either distribute new shares in proportion to the shareholders' number of shares, or increase the par value of each share, provided, however, that when the statutory common reserve fund is converted to capital, the balance of the statutory common reserve fund may not fall below 25% of the registered capital.

Article 210 Dividends shall be distributed in accordance with the proportion of shares held by shareholders.

Dividends of the Company bear no interest, unless the Company fails to distribute relevant dividends to the shareholders on payment due date of the Company's dividends.

Unless otherwise resolved by the shareholders' general meeting, the Company may, apart from distributing annual dividends, distribute interim and quarterly dividends by its Board of Directors acting under the power conferred by the shareholders' general meeting. Unless otherwise stipulated by laws or administrative regulations, the amount of interim dividends distributed shall not exceed 50% of the distributable profits as stated in the interim profits statement of the Company, and the distribution of quarterly dividends shall not exceed 50% of the distributable profits as stated in the income statement for the period of the Company. The distributable profits shall be aggregated if the interim and quarterly dividends are to be distributed simultaneously for the year.

Article 211 Procedures for decision-making on profit distribution by the Company:

(1) After the end of each accounting year, the board of directors shall propose a profit distribution plan and the independent directors may express their independent opinions thereon. After which the profit distribution plan shall be proposed to the general meeting for voting. Implementation of the profit distribution plan shall be subject to completion of administrative and approval procedures (if required).

(2) If the Company records a profit for the reporting period and the balance of unallocated profit is positive but no cash dividends plan has been proposed, the Company shall provide an internet voting platform for shareholders.

(3) The Audit and Risk Management Committee of the Company shall monitor the execution of profit distribution policy and the planning and decision-making procedures for shareholder return carried out by the board of directors and the management. In formulating the profit distribution policy of the Company, the opinions and requests of the shareholders, especially those of the minority shareholders, shall be extensively consulted, and the concerns of minority shareholders shall be addressed in a timely manner.

(4) The Company shall disclose in details its formulation and implementation of cash dividends policy in its regular published reports; should there be any adjustment or change to the cash dividends policy, detailed descriptions shall be provided on the regulatory compliance regarding the conditions and procedures for such adjustment or change. If the Company records a profit for the year and the balance of unallocated profit is positive but no cash dividends plan has been proposed, the Company shall, in its annual report, describe in details the reason for not proposing a cash dividends, as well as the purpose and usage plan for cash retained in the Company that is not distributed as cash dividends.

(5) In the event that the profit distribution policy needs to be adjusted by reason of promulgation of new requirements on the profit distribution policy of listed companies by PRC laws and regulations and securities regulatory authorities, or due to significant changes of external operating environment or operating condition of the Company, for the purpose of protecting the interests of the shareholders, the directors of the Company shall carefully examine and describe the reasons for such adjustment and strictly follow the decision-making procedures. In the event of amendments to the profit distribution policy of the Company, the board of directors shall consider the revised plan and the independent directors may express their independent opinions thereon. Such amendments shall be disclosed to the public upon consideration and approval at the general meeting by more than two-thirds of the shareholders present at the meeting.

Article 212 The Company adopts the following profit distribution policy:

(1) Principles of profit distribution by the Company: Provided that the long-term and sustainable development of the Company are ensured, the profit distribution policy of the Company should pay close attention to ensuring a reasonable return of investment to investors and establishing a firm intention of rewarding the shareholders, and such profit distribution policy should maintain its continuity and stability.

(2) Ways of profit distribution by the Company: The Company may distribute dividends by way of cash, a combination of cash and shares or in other reasonable manners in compliance with laws and regulations.

(3) Conditions and proportion of distribution of cash dividends by the Company: Conditional upon the Company being profitable for the year and after allocation to the statutory common reserve fund and discretionary common reserve fund as required, and there are no exceptional matters including material investment plans or material cash outflows (material investment plans or material cash outflows refer to proposed external investments, acquisition of assets or purchase of equipment in the coming 12 months that in aggregate constitute expenditure exceeding 30% of the net assets of the Company as shown in the latest audited consolidated statements) and there has not incurred any material losses (losses in the amount exceeding 10% of the net assets of the Company as shown in the latest audited consolidated statements), the Company shall distribute cash dividends out of profit in an amount not less than 10% of the distributable profit for the year (i.e. profit realized for the year after making up for losses and allocation to reserve fund). The accumulated payment of dividend by way of cash for the last three years may not be less than 30% of the Company's average distributable profit for the last three years. The accumulated payment of dividend by way of cash for the coming three years may not be less than 30% of the Company's average distributable profit for such three years.

(4) Intervals for profit distribution by the Company: Provided that the conditions of profit distribution are met and the Company's normal operation and sustainable development are ensured, the Company shall in principle distribute profit on an annual basis, and interim profit may also be distributed based on the profitability and capital requirement conditions of the Company.

(5) Conditions of profit distribution by way of share dividends: Provided that the minimum proportion of distribution of cash dividends is met and reasonable scale of share capital and shareholding structure of the Company are ensured, and with particular attention paid on keeping the steps of capital expansion in pace with the growth in operation results, if there are special circumstances which prevent distribution by way of cash, the Company may consider distributing profit by way of share dividends as a return to investors after consideration of its profitability and cash flow position and performance of the procedures required by the Articles. Where the Company made a payment of dividend satisfied by an allotment of new shares or completed conversion of capital common reserve fund into capital, the Company may elect not to distribute dividend by way of cash in the same year, and that year is not counted in the three years as stated above in this Article.

Article 213 Upon resolution on the profit distribution plan or the resolution on the proposed bonus share issue by way of conversion of capital reserve is approved at the shareholders' general meeting, or upon the Board of Directors designates a specific plan according to the interim dividends for the next year and the conditions and caps of the quarterly dividends considered and approved at the annual general meeting, the dividends (or shares) distribution shall be completed within two months after all administrative approvals (if necessary) are obtained.

Article 214 The Company shall, in accordance with the PRC tax law, withhold and make payments on behalf of shareholders in respect of their tax payable on their dividends income.

Article 215 The Company shall appoint on behalf of the holders of the Overseas Listed Foreign Shares receiving agents to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of their shares. The receiving agents appointed by the Company shall comply with the relevant requirements of the law of the place and relevant regulations of the stock exchange where the Company's shares are listed. The receiving agents appointed on behalf of holders of Overseas Listed Foreign Shares listed in Hong Kong (H Shares) shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

Article 216 Dividends or other payments declared by the Company to be payable to holders of Domestic Shares shall be declared and calculated in RMB, and paid in RMB; and those payable to holders of Overseas Listed Foreign Shares shall be declared and calculated in RMB, and paid in RMB or the local currency at the place where such Overseas Listed Foreign Shares are listed (if there is more than one place of listing, then the principal place of listing as determined by the Board of Directors). The conversion formula of foreign currency is as follows:

$$\text{Conversion price of dividends or other sums to holders in foreign currency} = \frac{\text{Dividends or other sums to holders in RMB}}{\text{The mean of the exchange rates for each unit of the foreign currency against RMB as announced by the People's Bank of China for the calendar week preceding the date on which such dividends or other sums to holders are declared by the Company}}$$

Article 217 The Company shall implement an internal audit system, and shall establish an internal audit department or retain auditors to conduct internal audit of its income and expenditure and financial activities under the supervision of the Audit and Risk Management Committee.

Article 218 The internal audit system and the terms of reference of the auditors are implemented under the approval of the Board. The auditors are required to report to the Board.

Article 219 The internal audit institution of the Company shall supervise and inspect the business activities, risk management, internal control, financial information and other matters of the Company. The internal audit institution shall maintain its independence, be staffed with full-time auditors, and shall not be placed under the leadership of the finance department or co-located with the finance department.

Article 220 The internal audit institution reports to the Board of Directors. During the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information, the internal audit institution shall accept the supervision and guidance of the audit and risk management committee. Where the internal audit institution discovers relevant significant issues or leads, it shall immediately report directly to the audit and risk management committee.

Article 221 The specific organization and implementation of the Company's internal control evaluation shall be the responsibilities of the internal audit institution. The Company issues an annual internal control evaluation report based on evaluation reports and relevant information issued by the internal audit institution and reviewed by the Audit and Risk Management Committee.

Article 222 When the Audit and Risk Management Committee communicates with external audit firms such as accounting firm and national audit institution, the internal audit institution shall actively cooperate with them, providing necessary support and collaboration.

CHAPTER 16 APPOINTMENT OF ACCOUNTANT FIRM

Article 223 The Company shall appoint an independent accountant firm which is qualified under the relevant regulations of the State to audit the Company's accounting statements, verify the net assets and provide other relevant consulting services, express audit opinions and issue an audit report on the annual report and review the Company's other financial reports.

Article 224 Appointment or dismissal of an accounting firm of the Company shall be, upon consideration and approval the Audit and Risk Management Committee, proposed to the Board of Directors for consideration and determined at the shareholders' meeting. In the event of change of the accounting firm of the Company, the election of new accounting firm shall be completed by the end of the fourth quarter of the audit year.

The accountant firm appointed by the Company shall hold office for a year from the conclusion of the annual general meeting until the conclusion of the next annual general meeting, and the appointment may be renewed.

Article 225 The accountant firm appointed by the Company shall have the following rights:

(1) A right to inspect the books, records and vouchers of the Company at any time, the right to require the directors, president, vice president or other senior administrative officers of the Company to supply relevant information and explanation;

(2) A right to require the Company to take all reasonable steps to obtain from its subsidiaries such information and explanation as are necessary for the purpose of discharging its duties;

(3) A right to attend shareholders' general meetings and to receive all notices of, and other communications relating to, any shareholders' general meeting which any shareholder is entitled to receive, and to speak at any shareholders' general meeting in relation to matters concerning its role as the Company's accountant firm.

Article 226 The company shall provide true and complete accounting evidences, books, financial and accounting reports and other accounting data to the accountant it hires without any refusal, withholding and false information.

Article 227 If there is a vacancy in the position of auditor of the Company, the Board may engage an accounting firm to fill such vacancy before the convening of the shareholders' general meeting.

Article 228 Notwithstanding the stipulations in the contract between the Company and the accountant firm, the accounting firm may be removed by ordinary resolution before the expiration of its term of office.

Article 229 The remuneration of an accountant firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in shareholders' meeting. The remuneration of an accountant firm appointed by the Board of Directors shall be determined by the Board of Directors.

Article 230 In principle, the Company shall not engage the same accounting firm for more than 8 consecutive years. If it intends to continue to engage the same accounting firm for more than 8 years due to business needs, it shall comprehensively consider the quality of the accounting firm's previous audit, the shareholders' evaluation, regulatory opinions, etc., and may appropriately extend the term of engagement after performing corporate governance procedures and internal decision-making procedures, subject to a term of not exceeding 10 consecutive years.

If the audit engagement partner and the signing certified public accountant have effectively undertaken audit engagement for the Company for an aggregate of five years, they shall not be allowed to participate in the Company's audit within the following five consecutive years. The period of time during which he/she provide audit services to the Company at different accounting firms due to changes in employment shall be aggregated.

Article 231 Prior to the removal or the non-renewal of the appointment of the accountant firm, notice of such removal or non-renewal shall be given to the accountant firm and such firm shall be entitled to make representation at the shareholders' general meeting. Where the accountant firm resigns its post, it shall make clear to the shareholders' general meeting whether there has been any impropriety on the part of the Company.

An accountant firm may resign its office by depositing at the Company's legal address a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice.

CHAPTER 17 CAPITAL FLOW BETWEEN THE COMPANY AND ITS RELATED PARTIES AND EXTERNAL GUARANTEE PROVIDED BY THE COMPANY

Article 232 Fund transactions between the Company and controlling shareholders and other related parties shall be subject to the following regulations:

(1) Use of funds of the Company shall be strictly limited during transaction of operating funds between the Company and controlling shareholders and other related parties. Controlling shareholders and other related parties shall not request the Company to pay for their salaries, benefits, insurance and advertisement during the period, nor shall the parties undertake any cost or other outgoings for each other.

(2) The Company shall not directly or indirectly provide funds for use by controlling shareholders or other related parties by:

1. lending the Company's funds with or without consideration for use by controlling shareholders or other related parties;

2. assignment of loans for related parties through banks or non-banking financial bodies;

3. entrusting controlling shareholders or other related parties to carry out investments;

4. issuance of commercial acceptance notes without real transactions background for controlling shareholders or other related parties;

5. repaying debts for controlling shareholders or other related parties;

6. other means as prohibited by China Securities Regulatory Commission.

(3) During auditing work for the Company's annual financial reports, the certified public accountants shall, based on the aforesaid regulations, present their specific explanation on particulars of the usage of fund of the Company by controlling shareholders or other related parties, while the Company shall accordingly publish the specific explanation.

Article 233 All directors of the Company shall perform due diligence on and strictly control liability risks incurred as a result of external guarantee, and shall by law accept related liability for loss arising from contravening or improper external guarantee. Controlling shareholders and other related parties shall not force the Company to provide guarantee to others.

Article 234 The Company shall provide external guarantee (including assets pledge) based on the principles of fairness, willingness, sincerity and mutual benefits. The procedure for approval of external guarantee provided by the Company is as follows:

(1) As required by the PRC laws and regulations and the listing rules of stock exchange in the place where the Company's shares are listed, the Company's external guarantee shall be subject to written consent by two thirds of all members of the Board of Directors or approval from shareholders' general meetings;

(2) Prior to decision on provision of guarantee to external parties (or before it is submitted to the shareholders' general meeting for voting), the Board of Directors of the Company shall be well informed of particulars of the debtors, and completely analyse and fully disclose in the relevant announcements the benefits and risk s from such guarantee;

(3) When a resolution in relation to external guarantee is to be passed at the shareholders' general meeting or by the Board of Directors, any shareholders or directors that have a conflict of interests with such guarantee shall abstain from voting;

(4) Where the Company provides guarantee to any external parties, counter guarantee or other preventive measures shall be sought from the secured party who in turn shall be able to undertake the counter guarantee;

(5) The Company shall duly perform its duty to strictly disclose information on external guarantee according to the relevant provisions of listing rules and these Articles of Association, and shall truthfully provide all information relating to external guarantee of the Company to the certified public accountants;

(6) The Company's independent directors may in the annual report present specific explanation and independent opinions on the Company's accumulated and current external guarantee and implementation of regulations as referred above.

CHAPTER 18 INSURANCE

Article 235 The types of coverage, the insured amounts and periods of the Company's insurance shall be decided by the Board of Directors based on the circumstances of the Company and the practices of similar industries in other countries and the practice and legal requirements in China or by the authorized president.

CHAPTER 19 LABOUR AND PERSONNEL MANAGEMENT SYSTEMS

Article 236 The Company shall, in accordance with the relevant provisions of the Labor Law of People's Republic of China and other relevant laws or regulations of the State, formulate its labor and personnel management systems, which shall be appropriate to its particular circumstances.

CHAPTER 20 TRADE UNION

Article 237 The Company shall establish trade union organisations and organise staff and workers to carry out trade union activities in accordance with the Trade Union Law of the People's Republic of China. The Company shall allocate funds to the trade union in accordance with the Trade Union Law of the People's Republic of China and other provisions.

CHAPTER 21 MERGER AND DIVISION OF THE COMPANY

Article 238 In the event of the merger or division of the Company, a plan shall be presented by the Company's Board of Directors and shall be approved in accordance with the procedures stipulated in Articles of Association before processing the relevant examining and approving formalities as required by law. A shareholder who objects to the plan of merger or division shall have the right to demand the Company or the shareholders who consent to the plan of merger or division to acquire that dissenting shareholder's shareholding at a fair price. The contents of the resolution of merger or division of the Company shall be made into special documents for shareholders' inspection.

Article 239 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

A company that absorbs other company is known as merger by absorption whereby the company being absorbed shall be dissolved. The merger of two or more companies by the establishment of a new company is known as merger by the establishment of a new company whereby the merged companies shall be dissolved.

In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days of the date of the

Company's merger resolution and shall publish a public notice in a newspaper or the National Enterprise Credit Information Publicity System within thirty days of the date of the Company's merger resolution to merge. A creditor has the right within thirty days of receiving such notice from the Company or, for creditors who do not receive the notice, within forty-five days of the date of the public notice, to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt.

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

Where the price paid by the Company for a merger does not exceed ten percent of the Company's net assets, the merger may be effected without a resolution of the shareholders' general meeting, unless otherwise provided for in these Articles of Association. Where the Company mergers pursuant to the aforesaid provision without a resolution of the shareholders' general meeting, it shall be resolved by the Board of Directors.

Article 240 When the Company is divided, its assets shall be split up accordingly.

In the event of division of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within ten days of the date of the Company's resolution to divide and shall publish a public notice in a newspaper or the National Enterprise Credit Information Publicity System within thirty days of the date of the Company's resolution to divide. A creditor has the right within thirty days of receiving such notice from the Company or, for creditors who do not receive the notice, within forty-five days of the date of the public notice to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt.

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

Article 241 Changes in registration particulars of the companies caused by merger or division must be registered with the companies registration authorities in accordance with law. Cancellation of a company shall be registered in accordance with the law when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with law.

CHAPTER 22 DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 242 The Company shall be dissolved and Liquidated upon the occurrence of any of the following events:

(1) Upon expiry of term of business stipulated in the Articles of Association or occurrence of any other events causing dissolution stipulated in the Articles of Association.

(2) A resolution for dissolution is passed ;

(3) Dissolution is necessary due to a merger or division of the Company;

(4) The Company is legally declared insolvent or dissolution by the court ;

(5) The business license of the Company is revoked or the Company is ordered to close down or withdraw because of its violation of laws and administrative regulations;

(6) Other reasons of dissolution specified by the laws and regulations of the PRC and these Articles of Association.

In the event of the above circumstances (1) and (2), before the Company distributes assets to the shareholders, it may continue to exist by amendment to the Articles of Association or by resolution of the shareholders' general meeting, provided that it is approved by more than two- thirds of the voting rights held by the shareholders attending the shareholders' general meeting.

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

Article 243 Where the company is dissolved under clauses (1), (2), (3) and (5) of Article 242, liquidation must commence with the establishment of a liquidation committee within 15 days. The liquidation committee is composed of directors but except for members of the liquidation committee appointed by ordinary resolution. If a liquidation committee is not established within the stipulated period or liquidation is not carried out after the liquidation committee is formed, the interested party can apply to the People's Court, requesting the court to appoint relevant personnel to form the liquidation committee.

Where the Company is dissolved under clause (4) of Article 242, the People's Court shall in accordance with provisions of the relevant laws organise the shareholders, the relevant organisations and professional personnel to establish a liquidation committee to carry out liquidation procedures.

Where the Company is dissolved under clause (5) of Article 242, the relevant governing authorities shall organise the shareholders, the relevant organisations and professional personnel to establish a liquidation committee to carry out liquidation procedures.

Article 244 Where the Board of Directors proposes to liquidate the Company due to causes other than where the Company has declared that it is insolvent, it shall include a statement in its notice convening a shareholders' general meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the Board of Directors is of the opinion that the Company will be able to pay its debts in full within twelve months from the commencement of the liquidation.

Upon the passing of the resolution by the shareholders in shareholders' general meeting for the liquidation of the Company, all functions and powers of the Board of Directors shall cease.

The liquidation committee shall act in accordance with the instructions of the shareholders' general meeting to make a report at least once every year to the shareholders' general meeting on the committee's receipts and payments, the business of the Company and the progress of the liquidation, and to present a final report to the shareholders' general meeting on completion of the liquidation.

Article 245 The liquidation committee shall within ten days of its establishment send notice to creditors, and shall within sixty days of its establishment publish a public notice in a newspaper or the National Enterprise Credit Information Publicity System. A creditor shall within thirty days of receiving the notice, or for any creditors who do not receive the notice, within forty-five days of the date of the public notice, report his creditors' rights to the liquidation committee.

When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to his creditor's rights and shall provide materials as evidence. The liquidation committee shall carry out registration of creditors' rights.

During the period of registration of creditors' rights, the liquidation committee shall not repay the debt to creditors.

Article 246 During the liquidation period, the liquidation committee shall exercise the following functions and powers:

(1) To sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;

(2) To send notices to creditors or notify them by public notice;

(3) To dispose of and liquidate any relevant unfinished business matters of the Company;

(4) To pay all outstanding taxes and taxes arising from liquidation;

(5) To settle claims and debts;

(6) To deal with the assets remaining after the Company's debts have been repaid;

(7) To represent the Company in any civil litigation proceedings.

Article 247 After sorting out the Company's assets and the preparation of the balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and represent it to the People's Court for confirmation.

The company's assets shall be applied in the following order: payment of the liquidation expenses, wages owed to the employees, social insurance expenses and statutory compensation, tax overdue and debts of the company.

The Company's residual assets after repayment of its debts in accordance with the provisions of the preceding paragraph shall be distributed to its shareholders according to the category and proportion of their shareholdings.

During the liquidation period, the Company shall not commence any new operational activities.

Article 248 If after putting the Company's assets in order and preparing a balance sheet and an inventory of assets in connection with the liquidation of the Company resulting from dissolution, the liquidation committee discovers that the Company's assets are insufficient to repay the Company's debts in full, the liquidation committee shall immediately apply to the People's Court for a declaration of insolvency.

After a company's bankruptcy application is accepted by the People's Court, the liquidation committee shall turn over liquidation matters to the liquidator designated by the People's Court.

Article 249 Following the completion of liquidation, the liquidation committee shall present a report on liquidation, which shall be audited by Chinese registered accountants and submitted to the shareholders' general meeting or the People's Court for confirmation and shall be submitted to the companies Registration authority for application for Reregistration and announcement of the Company's termination shall be made.

Article 250 Members of the liquidation committee shall perform their duty honestly and discharge the obligation of liquidation in accordance with laws.

Members of the liquidation committee shall not take personal advantage of their posts to take bribes, receive other illegal incomes, or misappropriate assets of the Company.

Members of the liquidation committee shall compensate the losses of the Company or the creditors made due to their intent or gross negligence.

CHAPTER 23 PROCEDURES FOR AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 251 The Company may amend these Articles of Association in accordance with the requirement of laws, administrative regulations and these Articles of Association.

If the amendments to the Articles of Association approved by resolution at the shareholders' meeting are subject to approval by the competent authorities if so required. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes in accordance with law.

Article 252 The Company shall amend the Articles of Association in any of the following circumstances:

(1) Upon amendments being made to the Company Law or relevant laws and administrative regulations, any matter prescribed in the Articles of Association becomes in conflict with the provisions of the amended laws and administrative regulations;

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

(3) The shareholders' meeting resolves to amend the Articles of Association.

CHAPTER 24 NOTICES AND ANNOUNCEMENTS

Article 253 A notice of the Company shall be sent by:

(1) hand;

(2) mail;

(3) announcement;

(4) other methods provided by laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and these Articles of Association.

Article 254 Where a notice is served by way of announcement, after the publication of such announcement, all related persons shall be deemed to have received the relevant notice. Notices given by the Company by way of announcement shall be published in the newspapers (if required) and/or media (including websites) designated by the securities regulatory authorities and the stock exchange in the place where the Company's shares are listed.

Article 255 Where a notice is served by hand, the addressee shall be required to sign his name (or affix his chop) on the receipt, and the date on which the addressee signs the receipt shall be the date of service. Where a notice is sent by post, the notice shall be deemed to be served by putting the notice into a properly addressed, prepaid postage envelope and depositing the same in a mail box. Such notice shall be deemed to have been served upon expiration of 48 hours after the envelope containing the notice has been posted. Where a notice is served by way of announcement, the date on which the announcement firstly published shall be deemed as the date of service.

Article 256 Any notices, documents, information or written statements issued by shareholders or directors to the Company shall be personally delivered or sent by registered mail to the legal address of the Company.

Article 257 In order to prove that such notices, documents, information or written statements have been already sent, shareholders or directors shall provide evidence to prove that such notice, document, information or written statement have been sent within the prescribed time in the normal way of sending with postage prepaid to the correct address of the Company.

Article 258 In respect of the manner in which the Company provides and/or dispatches Corporate Communication to a holder of Overseas Listed Foreign Shares as required by the Main Board Listing Rules, the Company may also, to the extent permitted under all applicable laws and regulations and the listing rules of the stock exchange in the place where the Company's shares are listed, send or provide the Corporate Communication to a holder of Overseas Listed Foreign Shares of the Company through electronic means or by posting a message on the website of the Stock Exchange or the Company's website instead of delivering the Corporate Communication to a holder of Overseas Listed Foreign Shares by hand or by prepaid mail.

CHAPTER 25 INTERPRETATION AND DEFINITION OF ARTICLES OF ASSOCIATION

Article 259 The Board of Directors shall be responsible for the interpretation of these Articles of Association. Where there are matters not contained in these Articles of Association, such matters shall be passed by way of special resolution at the shareholders' general meeting as proposed by the Board of Directors.

Article 260 The Company shall formulate the "Rules of Procedures for Shareholders' General Meetings" and "Rules of Procedures for Board Meetings" in accordance with the requirements of these Articles of Association. The rules of procedures shall be as attachments of these Articles of Association and shall take effect and be amended upon approval of the shareholders' general meeting of the Company.

Article 261 In these Articles of Association, the following terms have the following meanings:

"Articles of Association"	refers to the existing Articles of Association of the Company;
"Board of Directors"	refers to the Board of Directors of the Company;
"PRC"	refers to the People's Republic of China;
"RMB"	refers to the legal tender of China;
"Seal"	refers to the ordinary seal used from time to time by the Company and the official seal maintained by the Company (if any), or one of the two depending upon the circumstances;
"Share Category"	refers to the basic types of shares stipulated by the Company Law, such as ordinary shares, preference shares, and subordinated shares, as well as various special types of shares classified based on dimensions such as equity, voting rights, and investment entities.

A "controlling shareholder"	refers to a shareholder who holds ordinary shares (including preferred shares with voting rights restored) representing 50% or more of the total share capital of the Company, or a shareholder having sufficient voting right in respect of the shares who holds to pose a significant influence on the resolutions of the shareholders' meeting despite holding less than 50% of the total share capital of the Company;
"Actual Controllers"	refers to those who, though not shareholders of the Company, can actually control the activities of the Company through investment relationship, agreement or other arrangement;
"Connected Relationship"	refers to the relationships between controlling shareholders, Actual Controllers, directors, senior administrative officers of the Company and their directly or indirectly controlled enterprises, and other relationships that may lead to the transfer of interests of the Company. However, there is no connected relationship among State controlled enterprises;
"Corporate Communication"	refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to: (a) the directors' report, its annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form, within the meaning ascribed thereto under the listing rules of the stock exchange where the Company's shares are listed.

Article 262 The Articles of Association are prepared in Chinese. Where the Articles of Association in any other language or version is inconsistent with the Articles of Association, the latest Chinese version approved and registered by the Company shall prevail.

Article 263 In the Articles of Association, the terms “not less than”, “within”, “not more than” are all inclusive terms and the terms “beyond”, “below” and “above” are exclusive terms.

Article 264 In these Articles of Association, the meaning of an accountant firm is the same as that of “auditors”.