Articles of Association

of

Zhuzhou CRRC Times Electric Co., Ltd.

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

Effective from 20 November 2026

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ARTICLES OF ASSOCIATION OF ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to protect the legitimate rights and interests of Zhuzhou CRRC Times Electric Co., Ltd. (hereinafter as the "**Company**"), shareholders, employees and creditors thereof and to regulate the organisation and behaviour of the Company, the Articles of Association are formulated pursuant to the Company Law of the People's Republic of China (hereinafter as "**Company Law**"), the Securities Law of the People's Republic of China (hereinafter as "**Securities Law**"), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter as the "**Listing Rules of the Stock Exchange**"), Measures for the Administration of Registration of Initial Public Offering of Shares (《首次公開發行股票註冊管理辦法》), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), Code of Corporate Governance for Listed Companies (《上市公司治理準則》) and other relevant laws, regulations and regulatory documents.

Article 2 The Company is a joint stock limited company established in the People's Republic of China (the "**PRC**") in accordance with the Company Law and other relevant laws and administrative regulations of the State.

The Company was established by way of promotion pursuant to the approval granted by the State-Owned Assets Supervision and Administration Commission of the State Council in the approval, Guo Zi Gai Ge [2005] No. 1095, and was registered with the Hunan Provincial Market Supervision and Administration Bureau on 26 September 2005 and had obtained business licence. The Company's current unified social credit code is: 914300007808508659.

The Promoters of the Company are:

Promoter 1: 中車株洲電力機車研究所有限公司
CRRC Zhuzhou Institute Co., Ltd.

Promoter 2: 中車株洲電力機車有限公司
CRRC Zhuzhou Locomotive Co., Ltd.

Promoter 3: 中車常州實業管理有限公司
CRRC Changzhou Industrial Management Co., Ltd.

Promoter 4: 中車資產管理有限公司
CRRC Asset Management Co., Ltd.

Promoter 5: 中國鐵建高新裝備股份有限公司
CRCC High-Tech Equipment Corporation Limited

Article 3 Registered name of the Company: 株洲中車時代電氣股份有限公司

English name: Zhuzhou CRRC Times Electric Co., Ltd.

Article 4 Place of domicile of the Company: Times Road, Shifeng District, Zhuzhou, Hunan Province, PRC

Postal code: 412001
Tel: 0731-28493447
Fax: 0731-28493447

Article 5 The registered capital of the Company is RMB1,330,703,412.

Article 6 The Chairman of the board of directors, who executes the affairs of the Company on behalf of the Company, is the legal representative of the Company. If the Chairman of the board of directors who serves as the legal representative resigns, he/she shall be deemed to have resigned as the legal representative at the same time. If the legal representative resigns, the Company shall appoint a new legal representative within thirty days from the date of resignation of the legal representative.

Article 7 Civil activities conducted by the legal representative in the name of the Company shall have legal consequences borne by the Company.

Restrictions on the authority of the legal representative stipulated in the Articles of Association or by the shareholders' general meeting shall not be used against a bona fide third party.

If the legal representative causes harm to others in performing duties, the Company shall bear civil liability. After the Company assumes civil liability, it may, in accordance with the laws or the Articles of Association, seek compensation from the legal representative at fault.

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

The liability of a shareholder of the Company shall be limited to the shares subscribed by him/her and the Company shall undertake its liabilities with all of its assets.

Article 9 The Articles of Association take effect on the day on which they are considered and approved at the general meeting. From the effective date of the Articles of Association, the original Articles of Association will automatically become invalid.

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

Article 10 The Articles of Association shall have binding effect on the Company and its shareholders, directors, general manager, deputy general managers and other senior management members; the aforementioned person(s) may assert claims in respect of the Company's affairs pursuant to the Articles of Association.

Shareholders may institute legal proceedings against the Company, shareholders, and directors, general manager, deputy general managers and other senior management members of the Company, pursuant to the Articles of Association. The Company may institute legal proceedings against shareholders, directors, general manager, deputy general managers and other senior management members, pursuant to the Articles of Association.

"Legal proceedings" referred to in the preceding paragraph includes any legal action brought before a court and any arbitration application submitted to an arbitration institution.

Article 11 The Company may invest in other limited liability companies or joint stock limited companies, and the Company's liabilities to the companies in which the Company has invested shall be limited to the committed amount of its capital contribution to such companies and shares subscribed for in such companies; however, unless otherwise required by the laws and administrative regulations, the Company shall not become a capital contributor that shall bear several and joint liabilities for the debts of the enterprises it invests in, and the Company shall not become the unlimited liability shareholder of any other profit making organisations.

Article 12 The Company is an independent corporate legal person, all the activities of the Company must comply with laws and regulations of the listing place(s) and shall protect the lawful interests of shareholders.

According to the Company Law of the PRC and the Constitution of the Chinese Communist Party, the Company shall set up a Party organisation, establish a working organisation of the Party, assign with sufficient personnel of the Party and guarantee sufficient funding necessary for the activities of the Party organisation. The Party organisation plays a core leading and political role in the Company.

The Company must comply with laws and regulations, strengthen risk control and compliance management, implement the general legal counsel and chief compliance officer system and promote the culture of integrity and honest practices.

CHAPTER 2 BUSINESS OBJECTIVES AND SCOPE

Article 13 The business objectives of the Company is: to be fully committed in the field of rail transit and clean energy equipment with an aim to serve the society with products and services with higher reliability, more up-to-date technology and superior quality and reward shareholders with prolific returns by pursuing a market-oriented and innovation-driven business rooted in the transportation and energy sectors and facing the whole nation as well as the whole world.

Article 14 The Company's business scope shall be consistent with the business scope approved by the authority responsible for the Company's registration.

The main business scope of the Company include: research, development, production, sale and repair of track transportation traction converter equipment, train network communication products, automation facilities, safety monitoring equipment, technical equipment relating to communication and signal system, power supply system, braking system, screen doors, urban intelligent traffic, industrial converter, photovoltaic power generation and automotive electric drive and their system integration as well as engineering vehicle, electric system for large track maintenance machine, marine equipment, specialised/general testing system, monitoring technology and products, high-power electrical and electronic appliances, lamination busbar, photovoltaic inverter, sanitary units, environmental protection equipment, oil pressure dampers and related electric and electronic products; mechanical and electrical system integration and general contracting; computer network wireless equipment; sale of merchandise as principal and agent, the import and export business of technology (except for those prohibited and restricted under national laws and regulations); related technological development, services, training; computer network system integration, software development services; technology, engineering, project development on new energy; design, construction and maintenance of security & technology protection system; general freight; leasing etc. (For items subject to approval pursuant to laws, operation could only be commenced upon approval by relevant authorities).

The Company may change its business scope and go through the relevant alteration procedures pursuant to law in accordance with the changes in domestic and foreign markets, business development and its own capabilities.

CHAPTER 3 SHARES

Section I Share issuance

Article 15 The Company shall have ordinary shares at all times. The Company may, according to its needs and subject to the approval by company approving department authorized by the State Council, create other classes of shares.

Article 16 All shares issued by the Company shall have a par value of RMB1 per share.

"RMB" referred to in the preceding paragraph means the lawful currency of the PRC.

Article 17 Shares shall be issued in an open, fair and just manner, and shares of the same class shall carry the same rights.

For the same class of shares issued in the same tranche, each share shall be issued subject to the same conditions and at the same price. The price payable per share subscribed for by any subscriber shall be the same.

Article 18 Subject to registration or filing with the China Securities Regulatory Commission (hereinafter as the "**CSRC**"), the Company may issue shares to domestic investors and overseas investors.

"Overseas investors" referred to in the preceding paragraph means investors located in foreign countries, Hong Kong, Macau and Taiwan, who subscribe shares issued by the Company. "Domestic investors" means investors located in the PRC, excluding the regions mentioned above, who subscribe for the shares issued by the Company.

Article 19 Shares issued by the Company to domestic investors and other qualified investors for subscription in RMB are referred to as domestic shares (or A shares). Shares issued by the Company to overseas investors and other qualified investors for subscription in foreign currencies are referred to as foreign shares. Overseas listed foreign shares are referred to as overseas listed foreign shares.

"Foreign currencies" referred to in the preceding paragraph means the lawful currencies (other than RMB) of other countries or regions which are acceptable to the department in charge of foreign exchange of the State and which can be used to pay the share capital of the Company.

Both the shareholders of domestic shares and the holders of overseas listed foreign shares are shareholders of ordinary shares, and have the same rights and assuming the same obligations.

Article 20

Overseas listed foreign shares issued by the Company and listed in Hong Kong are referred to as H shares. H shares refer to the shares approved to be listed on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), the par value of which are denominated in RMB, and are subscribed for and traded in Hong Kong dollars.

The domestic shares of the Company listed in the PRC are referred to as A shares. A shares refer to the shares approved to be registered, issued and listed on domestic stock exchange(s) by the CSRC, the par value of which are denominated in RMB, and are subscribed for and traded in RMB.

The domestic shares issued by the Company shall be collectively deposited with the China Securities Depository and Clearing Corporation Limited. Overseas listed foreign shares issued by the Company in Hong Kong are mainly held in custody by the securities depository and clearing company in Hong Kong, and may also be held by shareholders in their own names.

Article 21

With the approval of the approving department as authorised by the State Council, the Company issued 669,611,637 ordinary shares to the promoters when it was established, accounting for 100% of the total number of the Company's issuable ordinary shares at that time. In particular, the promoters CRRC Zhuzhou Institute Co., Ltd. (中車株洲電力機車研究所有限公司) held 629,811,637 shares, representing 94.056%, CRRC Zhuzhou Locomotive Co., Ltd. (中車株洲電力機車有限公司) held 10,000,000 shares, representing 1.493%, CRRC Changzhou Industrial Management Co., Ltd. (中車常州實業管理有限公司) held 10,000,000 shares, representing 1.493%, CRRC Asset Management Co., Ltd. (中車資產管理有限公司) held 10,000,000 shares, representing 1.493% and CRRC High-Tech Equipment Corporation Limited (中國鐵建高新裝備股份有限公司) held 9,800,000 shares, representing 1.465%. All the promoters provided its contribution in the form of net assets.

After the Company's establishment, and upon approval of the approving department authorised by the State Council, the Company issued 547,329,400 H Shares (of which 505,865,000 shares were new shares issued by the Company and 41,464,400 shares were existing shares sold by promoters).

Upon approval by the Shanghai Stock Exchange and registration with the CSRC, the Company initially issued 240,760,275 domestically-listed shares to the public in September 2021, which were listed on the Shanghai Stock Exchange on 7 September 2021. Upon completion of the above-mentioned issuance, the Company's total share capital comprises 1,416,236,912 shares, and the Company's share capital structure comprises 1,416,236,912 ordinary shares, including 868,907,512 RMB ordinary shares listed on the Shanghai Stock Exchange, accounting for 61.35% of the total number of ordinary shares issued by the Company; and 547,329,400 overseas listed foreign shares listed on the Hong Kong Stock Exchange, accounting for 38.65% of the total number of ordinary shares issued by the Company.

Article 22 The Company's proposal for the issuance of overseas listed foreign shares and domestic shares, upon registration or filing with securities regulatory authorities of the State Council, may be implemented by the board of the Company through separate offerings.

The Company may implement its proposal for issuance of overseas listed foreign shares and domestic shares respectively pursuant to the preceding paragraph within 15 months from the date of registration or filing with securities regulatory authorities of the State Council. Where the relevant registration or filing documents of the securities regulatory authorities stipulate otherwise, such provisions shall prevail.

Article 23 Where the Company issues overseas listed foreign shares and domestic shares respectively within the total number of shares stated in the issuance proposal, such shares shall be fully subscribed for at one time respectively. If the shares cannot be fully subscribed at one time under special circumstances, the shares may be issued in separate offerings subject to the approval of securities regulatory authorities of the State Council.

Article 24 The Company or its subsidiaries (including the Company's affiliates) shall not provide any financial assistance in the form of gift, advance, guarantee or borrowings to a person for the acquisition of shares of the Company or its parent company, except for the implementation of the employee stock ownership plan by the Company.

For the benefit of the Company, upon resolution of the shareholders' general meeting or the resolution of the board of directors in accordance with the Articles of Association or the authorisation of the shareholders' general meeting, the Company may provide financial assistance for others to acquire shares of the Company or its parent company. However, the cumulative amount of financial assistance shall not exceed 10% of the total issued share capital. The board's resolution shall be approved by over two-thirds of all directors.

Section II Increase, decrease and repurchase of shares

Article 25 The Company may, based on its operational and development needs and in accordance with the provisions of laws and regulations and subject to resolutions at the general meeting, increase its capital in the following ways:

(1) issuance of shares to unspecified parties;

(2) issuance of shares to specified parties;

(3) distributing bonus shares to its existing shareholders;

(4) conversion of reserve into share capital;

(5) other methods prescribed by laws and administrative regulations and other methods prescribed by the CSRC.

When the Company issues new shares for the purpose of increasing its registered capital, shareholders shall not be entitled to pre-emptive rights, unless otherwise provided for in the Articles of Association or decided by a resolution of the general meeting that shareholders shall be entitled to pre-emptive rights. The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated by relevant laws and administrative regulations and the securities supervision and regulation authorities of the place(s) where the shares of the Company are listed.

Article 26 The Company may reduce registered share capital. The Company shall reduce its registered capital in accordance with the Company Law and other relevant regulations and procedures stipulated in the Articles of Association.

Article 27 When the Company reduces its registered share capital, it will draw up a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days of the date of the Company's resolution for reduction of share capital and shall publish a notice in a newspaper or on the national enterprise credit information publicity system within 30 days of the date of such resolution. A creditor has the right within 30 days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within 45 days of the date of the first public notice, to demand the Company to repay its debts or provide a corresponding guarantee for such debt.

When the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shareholders' capital contribution or shareholding, unless otherwise stipulated by laws or the Articles of Association.

Article 28 If the Company remains in loss position after making up for its losses in accordance with the provisions of paragraph 2 of Article 243 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for the loss, the Company shall not make any distribution to the shareholders; nor shall the shareholders be exempted from the obligation to make capital injection or payment for the shares.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 27 of the Articles of Association shall not apply, but a notice shall be published in a newspaper or on the national enterprise credit information publicity system within 30 days from the date of the resolution on reduction of registered capital made at the shareholders' meeting.

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

Article 29 In case of reduction of registered capital in violation of the requirements of the Company Law or the provisions of the Articles of Association, the shareholders shall return the funds so received, and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the responsible directors and senior management shall be held liable for compensation.

Article 30 The Company shall not acquire the shares of the Company except under the following circumstances:

(1) for the reduction of its registered capital;

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

(3) use of shares for employee stock ownership plans or equity incentives;

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

(5) use of shares for conversion of corporate bonds which are convertible into shares issued by the Company; and

(6) where it is necessary for the Company to safeguard its value and the shareholders' interests.

Article 31 The Company may choose to repurchase its shares in one of the following ways in accordance with law due to requirements of sub-paragraphs (1), (2) and (4) of first paragraph of Article 30 herein:

(1) making a pro rata general offer of repurchase to all of its shareholders;

(2) repurchase shares through public dealings on a stock exchange;

(3) repurchase by an agreement outside a stock exchange; or

(4) other ways as permitted by the laws, administrative regulations, departmental rules, securities regulatory rules of the place(s) where the Company's shares are listed, and approved by the approval department as authorised by the State Council.

The acquisition of shares of the Company by the Company due to the circumstances specified in sub-paragraphs (3), (5) and (6) of the first paragraph of Article 30 herein shall be conducted through open centralised trading.

The Company shall perform its information disclosure obligation according to the laws, administrative regulations, departmental rules and the securities regulatory rules of the place(s) where the Company's shares are listed in acquiring its own shares.

Article 32 Where the Company repurchases its shares by an agreement outside a stock exchange, the prior sanction of shareholders shall be obtained in accordance with the Articles of Association. The Company may rescind or vary a contract so entered into by the Company or waive its rights under such contract with the prior approval of shareholders obtained in the same manner.

"Contract to repurchase shares" referred to in the preceding paragraph includes (but not limited to) an agreement to become obliged to repurchase or an acquisition of the right to repurchase shares of the Company.

The contract to repurchase its shares or any rights provided therein shall not be assigned by the Company.

For the purpose of the redeemable shares which the Company has the right to repurchase:

(1) if they are not repurchased through the market or by tender, the repurchase price shall be subject to a maximum price; and

(2) if they are repurchased by tender, tenders shall be offered to all shareholders under the same conditions.

Article 33 For cancellation of shares, the Company shall apply to the original companies registration authority for registration of the change of its registered share capital.

The amount of the Company's registered share capital shall be reduced by the aggregate par value of those cancelled shares.

Article 34 Where the Company acquires its shares due to the circumstances specified in sub-paragraphs (1) and (2) of the first paragraph of Article 30 herein, it shall be resolved at the general meeting. If the Company acquires its domestic shares due to the circumstances specified in sub-paragraphs (3), (5) and (6) of the first paragraph of Article 30 herein, it shall be resolved at a board meeting with the attendance of more than two-thirds of all directors and no resolution at a general meeting is required.

After the Company has acquired its shares in accordance with the provisions of the first paragraph of Article 30 herein, under the circumstances set out in sub-paragraph (1), such shares shall be cancelled within 10 days from the date of acquisition; under the circumstances set out in sub-paragraphs (2) and (4), such shares shall be transferred or cancelled within 6 months from the date of acquisition; under the circumstances set out in sub-paragraphs (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within 3 years from the date of acquisition.

Where the relevant laws, administrative regulations, departmental rules, other regulatory documents and relevant provisions of the securities regulatory authorities where the Company's shares are listed stipulate otherwise on relevant matters related to the aforesaid share repurchase, such provisions shall prevail.

Article 35 Unless the Company is in the course of liquidation, it must comply with the following provisions in relation to repurchase of its issued shares:

(1) where the Company repurchases shares at par, payment shall be made out of book surplus distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for that purpose;

(2) where the Company repurchases Shares at a premium to par value, payment up to the par value shall be made out of the book surplus distributable profits of the Company or out of the proceeds of a fresh issue of shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:

(i) if the shares being repurchased were issued at par value, payment shall be made out of the book surplus distributable profits of the Company;

(ii) if the shares being repurchased were issued at a premium to par value, payment shall be made out of the book surplus distributable profits of the Company and out of the proceeds of a fresh issue of shares made for that purpose, provided that the amount paid out of the proceeds of the fresh issue shall not exceed the aggregate premiums received by the Company on the issue of the shares repurchased, or the amount of the Company's share premium account or capital reserve fund (including the premiums on the fresh issue);

(3) payment by the Company in consideration of the following shall be made out of the Company's distributable profits:

(i) acquisition of rights to repurchase shares of the Company;

(ii) variation of any contract to repurchase shares of the Company; and

(iii) release of any of the Company's obligation under any contract to repurchase shares of the Company; and

(4) after the Company's registered share capital has been reduced by the total par value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits for payment of the par value portion of the shares repurchased shall be transferred to the Company's share premium account (or capital reserve fund).

Section III Share transfer

Article 36 Unless otherwise provided by law or administrative regulations, departmental rules and relevant regulations of the securities regulatory authorities where the Company's shares are listed, shares in the Company are freely transferable in accordance with laws and are not subject to any lien. Transfer of the overseas listed shares in Hong Kong shall be registered with the local share registrar appointed by the Company.

Article 37 All fully paid-up share capital of overseas listed foreign shares listed in Hong Kong are freely transferable pursuant to the Articles of Association of the Company. However, the board has the right to refuse recognising any instrument of transfer without explanation, unless such transfer is in compliance with the following conditions:

(1) such fees as stipulated by the Hong Kong Stock Exchange in the Listing Rules of the Stock Exchange or such higher fees as agreed by the Hong Kong Stock Exchange at the material time have been paid and the documents of transfer of shares and other documents relating to or which may affect the ownership of such shares have been registered;

(2) the documents of transfer solely involves the overseas listed foreign shares listed on the Hong Kong Stock Exchange;

(3) the stamp duty as stipulated by Hong Kong law payable on the documents of transfer has been paid;

(4) the relevant share certificates and evidence reasonably required by the board evidencing that the transferor has the right to transfer such shares;

(5) if the shares are to be transferred to joint holders, the number of such joint registered shareholders shall not exceed 4;

(6) no Company's lien is attached to the relevant shares.

Any instrument of transfer and other documents relating to or which may affect the ownership of any registered H shares shall be registered with the overseas registration organisation appointed by the Company.

All overseas listed foreign shares of the Company listed in Hong Kong shall be transferred by the instruments of transfer in writing, which is based on a usual or common form or on a form acceptable to the board; and such transfer instrument should be signed under hand or, if the transferor or transferee is a recognised clearing house or its agent as defined under the relevant regulations in force from time to time under the laws of Hong Kong, signed under hand or signed in machine imprinted form. All the transfer instruments shall be maintained in the legal address of the Company or other place as the board may designate.

If the board of the Company refuses to register a share transfer, the Company shall send the transferor and the transferee a notice of refusal to register the said share transfer within 2 months after the application for transfer is officially submitted.

Article 38 Holders of overseas listed foreign shares of the Company which are listed in Hong Kong shall transfer all or part of their shares in writing by way of ordinary or usual forms of the instruments of transfer or in other forms which are acceptable to the board, or in a standard transfer form designated by the stock exchange(s) where the Company's shares are listed. The instrument of transfer shall be signed by hand or (if the transferor or transferee is a company) affixed with the company's seal. If the transferor or transferee is a recognised clearing institution as defined in the Hong Kong Securities and Futures Ordinance or its agent, it may sign by hand or in a machine imprinted format. All instruments of transfer must be placed at the Company's legal address or at such other place as the board may designate.

Article 39 The Company shall not accept the shares of the Company as the subject of a pledge.

Article 40 Shares issued before the Company's public offering shall not be transferred within one year from the date when the Company's shares are listed and traded on the stock exchange(s). Where laws, administrative regulations or the securities regulatory authorities of the State Council otherwise provide for the transfer of shares of the Company held by shareholders or de facto controllers of the Company, such provisions shall apply.

Directors and senior management personnel of the Company shall report to the Company the shares held by them in the Company and changes thereof, and shall not transfer more than 25% each year of the total number of shares of the same class held by them during their tenure as determined upon appointment; and the shares held in the Company shall not be transferred within one year from the date of listing and trading of the Company's shares. The above-mentioned personnel shall not transfer their shares of the Company within six months after the termination of their service.

If the shares are pledged within the period of restriction on transfer as prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right during the period of restriction on transfer.

Where the relevant laws, regulations, regulatory documents and relevant provisions of the securities regulatory authorities where the Company's shares are listed stipulate otherwise on relevant matters related to the aforesaid share transfer, such provisions shall prevail.

Article 41 Any gains from sale of shares or other securities attaching equity interests in the Company by any director, senior management personnel or shareholders holding more than 5% of the shares in the Company within six months after their purchase of the same, and any gains from purchase of shares or other securities attaching equity interests in the Company by any of the aforesaid parties within 6 months after sale of the same, shall be disgorged and paid to the Company. The board of directors of the Company shall forfeit such gains from the abovementioned parties except for a securities company holding more than 5% of the shares in the Company as a result of its purchase of the remaining shares offered pursuant to an underwriting obligation and other circumstances as specified by the CSRC.

The shares or other securities attaching equity interests as mentioned in the preceding paragraph held by the directors, senior management personnel and natural person shareholders shall include those held by their spouses, parents and children as well as those held through the accounts of others.

If the board of the Company does not act in accordance with the provisions of the first paragraph of this article, the shareholders shall be entitled to require the board to effect the same within 30 days. If the board fails to do so within the said time limit, the shareholders shall be entitled to initiate proceedings in the court directly in their own name for the interests of the Company.

Where the board fails to act in accordance with the requirements set out in the first paragraph of this article, the responsible director(s) shall assume joint and several liabilities under laws.

CHAPTER 4 SHARE CERTIFICATES AND REGISTER OF MEMBERS

Article 42 The share certificates of the Company shall be in registered form.

The share certificates of the Company shall contain the following major items:

(1) the name of the Company;

(2) the date of establishment of the Company;

(3) the class and par value of shares and the number of shares represented;

(4) the number of share certificates;

(5) other particulars required to be specified by the Company Law and the stock exchange(s) on which the shares of the Company are listed;

(6) where the share capital of the Company includes non-voting shares, the name of such shares shall contain the term "non-voting";

(7) where the share capital includes shares with different voting rights, the name of each class of shares (other than shares with prime voting rights) shall contain the term "restricted voting rights" or "limited voting rights".

The overseas-listed foreign shares issued by the Company may be in the form of foreign depository receipts or in other derivative forms of shares in accordance with the laws and the prevailing practice for the securities registration and depository of the place(s) where the shares of the Company are listed.

Article 43 The share certificates shall be signed by the chairman. Where the stock exchange on which the shares of the Company are listed requires the share certificates to be signed by other senior management members of the Company, and the share certificates shall also be signed by other relevant senior management members. The share certificates shall be effective after being affixed or imprinted with the seal (including securities seal of the Company) of the Company. The share certificates shall only be affixed with the company seal or securities seal with the authorisation of the board. The signatures of the chairman or other relevant senior management members on the share certificates may also be in imprinted form.

When shares of the Company are issued and traded in a paperless form, it shall comply with the applicable provisions of the securities regulatory authorities in the place(s) where the shares of the Company are listed.

Article 44 The Company shall keep a register of members, and the register of members shall contain the following particulars:

(1) the surname and name (name), address (place of domicile), occupation or nature of business of each shareholder;

(2) the class and its number of shares held by each shareholder;

(3) the amount paid-up or payable in respect of shares held by each shareholder;

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

(5) the date on which each shareholder was registered as a shareholder;

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

Unless there is evidence to the contrary, the register of members shall be the sufficient evidence of the shareholders' shareholding in the Company.

Article 45 The Company may, in accordance with the mutual understanding and agreements made between the securities regulatory authorities of the State Council and overseas securities regulatory authorities, keeps its register of holders of overseas listed foreign shares outside of the PRC and appoints overseas agent(s) to manage such register. The original register of holders of overseas listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.

The Company shall maintain a duplicate of the register of holders of overseas listed foreign shares at its place of domicile. The appointed overseas agent(s) shall ensure consistency between the original version and the duplicate register of holders of overseas listed foreign shares at any times.

If there is any inconsistency between the original and the duplicate register of holders of overseas listed foreign shares, the original version shall prevail.

Article 46 The Company shall maintain a complete register of members.

The register of members shall include the following parts:

(1) the register of members which is maintained at the Company's place of domicile (other than those share registers which are described in paragraphs (2) and (3) of this Article);

(2) the register of members in respect of the holders of overseas listed foreign shares of the Company which is maintained at the place where the overseas stock exchange on which the shares are listed is located; and

(3) the register of members which is maintained in such other place as the board may consider necessary for the purpose of listing of the Company's shares.

Article 47 Different parts of the register of members shall not overlap one another. No transfer of the shares registered in any part of the register shall, during the existence of share registration, be registered in any other parts of the register of members.

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

Article 48 Where laws, administrative regulations, departmental rules, regulatory documents and relevant stock exchange(s) where the shares of the Company are listed or regulatory authorities stipulate otherwise as to the close of register of members prior to the record date set for convening of general meetings or dividend distribution, such provisions shall prevail. The aforementioned period of close of register of members shall not exceed a total of 30 days within one year, but may be extended for up to another 30 days with the consideration and approval at the shareholders' meeting.

Article 49 When the Company convenes a general meeting, distributes dividends, enters into liquidation and engages in other activities that involve determination of ownership of shares, the board shall determine a specific day for determination of ownership of shares. Shareholders named in the register of members by the end of the date of determination of ownership of shares shall be the shareholders of the Company.

Article 50 Any person who objects to the register of members and requests to have his name included in or removed from the register of members may apply to the court having jurisdiction to amend the register of members.

Article 51 Any shareholder who is registered in, or any person requests to have his name entered into, the register of members may, if his/her share certificate (the "**Original Certificate**") is lost, apply to the Company for a replacement share certificate in respect of such shares (the "**Relevant Shares**").

If a holder of domestic shares loses, is stolen of or suffers destruction of his/her share certificate and applies for a replacement, it shall be dealt with in accordance with the relevant requirements of the Company Law.

If a holder of overseas listed foreign shares loses, is stolen of or suffers destruction of his/her share certificate and applies for a replacement, it may be dealt with in accordance with the relevant laws of the place(s) where the original register of holders of overseas listed foreign shares is maintained, the rules of the stock exchange(s) and other relevant regulations.

If a holder of foreign shares listed in Hong Kong loses, is stolen of or suffers destruction of his/her share certificate and applies for a replacement, such share certificate shall be issued in compliance with the following requirements:

(1) the applicant shall submit an application to the Company in the standard form prescribed by the Company accompanied by a notarially certified certificate or statutory declaration containing the grounds upon which the application is made by the applicant and the circumstances and evidence of the loss of the share certificate as well as declaring that no other person is entitled to request to be registered as the shareholder of the Relevant Shares.

(2) before the Company decides to issue the replacement share certificate, no statement made by a person other than the applicant requesting that he/she shall be registered as the shareholder in respect of such Relevant Shares.

(3) the Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such newspapers designated by the board; the announcement shall be made at least once every 30 days for a period of 90 days.

(4) Prior to the publication of its intention to issue a replacement share certificate:

    (i) The Company shall have delivered to the Hong Kong Stock Exchange a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from the Hong Kong Stock Exchange that the announcement has been displayed at the premises of the Hong Kong Stock Exchange. The announcement shall be displayed at the premises of the Hong Kong Stock Exchange for a period of 90 days.

    (ii) In case an application to issue a replacement share certificate has been made without the consent of the registered holder of the Relevant Shares, the Company shall deliver by mail to such registered shareholder a copy of the announcement to be published.

(5) If, upon expiration of the 90-day period of announcement, display referred to in sub-paragraphs (3) and (4) in paragraph 4 of this Article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant accordingly.

(6) where the Company issues a replacement share certificate in accordance with this Article, it shall forthwith cancel the Original Certificate and record the cancellation and replacement matters in the register of members accordingly.

(7) all expenses relating to the cancellation of an Original Certificate and the issuance of a replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.

Article 52 After the Company issues a replacement share certificate pursuant to the Articles of Association, the name (title) of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case where he/she is a bona fide purchaser) shall not be deleted from the register of members.

Article 53 The Company shall not have any obligation to indemnify any person for any damages suffered thereby arising out of the cancellation of the Original Certificate or the issuance of a replacement share certificate, unless such person concerned can prove that the Company has committed a fraudulent act.

CHAPTER 5 SHAREHOLDERS' RIGHTS AND OBLIGATIONS

Section I General provisions for shareholders

Article 54 A shareholder of the Company is a person who lawfully holds shares of the Company and has his/her name (title) recorded in the register of members. The Company establishes a register of members based on the certificates provided by the securities registration and clearing institution, and the register of members is sufficient evidence of ownership of the Company's shares held by the shareholders.

A shareholder shall have the relevant rights and assume the relevant obligations in accordance with the class and number of shares he holds. Shareholders holding the same class of shares shall have the same rights and assume the same obligations.

If the Company establishes a class of shares such as preferred shares, changes in the rights attached to such class of shares shall be approved by the shareholders holding shares of such class with the relevant rights attached by a vote of at least two-thirds of the votes of the shareholders present at the shareholders' meeting of a particular class of shares and having the right to vote on amendments to the rights of such class of shares.

The Company shall protect the rights of shareholders in accordance with the law and focus on protection of the legitimate rights and interests of the minority shareholders. The Articles of Association, the resolutions of the general meeting or the resolutions of the board shall comply with the law and regulations and shall not deprive or restrict the legal rights of shareholders. The Company shall establish unobstructed and effective communication channels with shareholders to protect shareholders' right to know about, participate in the decision-making of and supervise the procedures, etc. of the major events of the Company. Shareholders are entitled to safeguard their legal rights through civil litigation or other legal means in accordance with the provisions of laws and administrative regulations.

Institutional investors shall exercise voting rights, inquiry rights, suggestion rights and other relevant shareholder rights in accordance with laws and regulations and the Articles of Association, and shall participate in corporate governance reasonably and play an active role by participating in decision-making on major issues, recommending candidates for directors, and supervising the performance of duties of directors.

In case of joint holders, if one of the joint holders has deceased, only the surviving joint holders shall be deemed by the Company to be the person having the ownership of the relevant shares, but the board shall have the right, for the purpose of making amendments to the register of members, to demand the death proof of such shareholder where it deems appropriate to do so. For joint holders of any shares, only the joint holder first named in the register of members is entitled to receive the certificate for the relevant shares, to receive the Company's notices, and to attend and exercise voting rights of the relevant shares in the general meetings of the Company. Any notice serviced to such person shall be deemed to be serviced to all joint holders of the relevant shares.

Article 55

The shareholders of the ordinary shares of the Company shall have the following rights:

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

(2) the right to request, convene, chair and attend or appoint a proxy to attend shareholders' general meetings and to speak and vote correspondingly thereat in accordance with the requirements of laws and the Articles of Association (unless a particular shareholder is required to abstain from voting on a resolution in accordance with applicable laws and regulations or the securities regulatory rules of the place(s) where the Company's shares are listed);

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

(4) the right to transfer, grant or pledge the shares he held in accordance with laws, administrative regulations, the securities regulatory requirements of the place(s) where the Company's shares are listed and provisions of the Articles of Association;

(5) the right to obtain information in accordance with the provisions of the Articles of Association, including:

(i) the right to obtain the Articles of Association, subject to payment of the cost of such copy;

(ii) the right to inspect and copy, subject to payment of a reasonable charge:

1. all parts of the share register;

2. personal particulars of each of the Company's directors, general manager, deputy general managers and other senior management as follows:

(a) present name and alias and any former name and alias;

(b) principal address (residence);

(c) nationality;

(d) primary and all other part-time occupation and duties; and

(e) identification document and its number.

3. the state of the Company's share capital;

4. reports showing the aggregate par value, quantity, maximum and minimum prices paid in respect of each class of Shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;

5. a copy of the latest annual return submitted to the PRC market supervision and administration authorities or other competent authorities for filing.

(6) to inspect and copy the Articles of Association, register of members, minutes of general meetings, resolutions of board meetings and the financial and accounting reports, and shareholders meeting the requirements may inspect the Company's accounting books and accounting vouchers;

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

(8) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any general meeting on the merger or division of the Company; and

(9) other rights conferred by laws, administrative regulations, departmental rules and the Articles of Association.

The Company shall keep copies of the above-mentioned documents at the Company's Hong Kong address in accordance with the regulatory requirements of the place(s) where the Company's shares are listed for free inspection by the public and shareholders and for copies by the shareholders with reasonable charges.

Shareholders requesting to inspect or copy relevant materials of the Company shall comply with the provisions of the Company Law, the Securities Law, and other laws and administrative regulations.

Shareholders who individually or collectively hold more than 3% of the Company's shares for at least 180 consecutive days and request to inspect the Company's accounting books or accounting vouchers shall submit a written request to the Company, stating the purpose. If the Company has reasonable grounds to believe that the shareholder's request to inspect the accounting books or vouchers has an improper purpose that may jeopardise the Company's legitimate interests, it may refuse to provide access, and shall, within 15 days from the date of the shareholder's written request, provide a written response to the shareholder, explaining the reasons for refusal. If the Company refuses to provide access, the shareholder may file a lawsuit with the people's court.

Where the shareholders wish to inspect or make a copy of the relevant materials, they shall notify the Company in writing in advance and provide the Company with written documents proving the class of shares they hold and the number thereof. The Company shall, after verifying the shareholder's identity and receiving a confidentiality commitment letter from the shareholder, notify the shareholder to inspect or make a copy of relevant materials in person at the Company's designated location. If the Company receives an application for access to the register of members during the period of close of register of members, it shall provide the applicant with a supporting document signed by the company secretary stating the approving authority and the period of close of register of members.

The Company shall not exercise its power to freeze or prejudice the rights attached to the shares in any other forms solely based on the ground that any person has not disclosed to the Company the rights and interests he holds directly or indirectly.

Article 56

Where the content of a resolution passed at a general meeting or a board meeting violate the laws and regulations, the shareholders shall have the right to request the court to rule the same invalid.

Where the convening procedures and voting methods of the general meeting and the board meetings violate the laws, regulations or the Articles of Association, or the contents of the resolution(s) violate the Articles of Association, shareholders shall have the right to request the people's court to rescind such resolution(s) within 60 days from the date of such resolution(s), except where there are only minor defects in the convening procedures or voting methods of the general meeting and the board meetings, which do not materially affect the resolutions.

If the board, shareholders or other relevant parties dispute the validity of a resolution of the shareholders' general meeting, they shall promptly file a lawsuit with the people's court. Until the people's court issues a judgment or ruling to revoke the resolution, the relevant parties shall implement the resolution of the shareholders' general meeting. The Company, directors and senior management personnel shall diligently perform their duties to ensure the normal operation of the Company.

When the people's court issues a judgment or ruling on the relevant matter, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchange(s), fully explaining the impact. After the judgment or ruling takes effect, the Company shall actively cooperate in its execution. In case of correcting prior matters, the Company shall handle it promptly and fulfill the corresponding information disclosure obligations.

Article 57 A resolution of the shareholders' general meeting or the board of the Company shall be deemed invalid under any of the following circumstances:

(1) no shareholders' general meeting or board meeting was held to make the resolution;

(2) no vote was made on the subject matter of the resolution at the shareholders' general meeting or board meeting;

(3) the number or the voting rights of attendees did not meet the quorum requirements stipulated in the Company Law or the Articles of Association;

(4) the number or the noting rights of those approving the resolution did not meet the approval requirements stipulated in the Company Law or the Articles of Association.

Article 58 Where the directors (other than the members of the audit committee) or senior management personnel violates any laws, regulations or the Articles of Association in the course of performing their duties and cause a loss to the Company, shareholders individually or in aggregate holding 1% or more shares of the Company for 180 consecutive days or more may request in writing the audit committee to initiate legal proceedings in the people's court. Where the members of the audit committee violate any laws, regulations or the Articles of Association in performing their duties and cause a loss to the Company, the above-mentioned shareholders may request in writing the board of directors to initiate legal proceedings in the people's court.

If the audit committee or the board refuses to institute legal proceedings after receiving such written request of shareholders specified in the preceding paragraph or fails to institute legal proceedings within 30 days from the date on which such request is received, or if, in an emergency, the failure to lodge an action immediately will cause irremediable damage to the interests of the Company, the foregoing shareholders may, for the benefit of the Company and in their own name, directly institute legal proceedings in the people's court.

If any other person infringes the legitimate rights and interests of the Company, thereby causing loss to the Company, the shareholders specified in the first paragraph of this article may institute legal proceedings in the people's court pursuant to the preceding two paragraphs.

If the directors, supervisors or senior management of a wholly-owned subsidiary of the Company are involved in any of the circumstances set forth in the preceding paragraph, or if any other person infringes upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and causes losses, shareholders who have held, individually or in the aggregate, more than 1% of the shares of the Company for more than 180 consecutive days may, in accordance with the provisions of the preceding three paragraphs, request, in writing, that the supervisory committee or the board of directors of the wholly-owned subsidiary institute legal proceedings in the people's court, or directly institute legal proceedings in their own names in the people's court. If a wholly-owned subsidiary of the Company does not have a supervisory committee or supervisors but sets up an audit committee, the provisions of the first and second paragraphs of this article shall apply.

Article 59 If any director or senior management personnel violates the requirements of laws and regulations or the Articles of Association, thereby infringing the interests of the shareholders, the shareholders may institute legal proceedings in the people's court.

Article 60 The shareholders of the ordinary shares of the Company shall assume the following obligations:

(1) to abide by laws, administrative regulations and the Articles of Association;

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

(3) not to withdraw their share capital unless required by laws or regulations;

(4) not to abuse their rights as shareholders to prejudice the interests of the Company or other shareholders; not to abuse the Company's independent status as a legal person and the limited liability of shareholders to prejudice the interests of creditors of the Company;

(5) other obligations imposed by laws, administrative regulations and the Articles of Association.

Shareholders of the Company who abuse their rights as shareholders causing loss to the Company or other shareholders shall be liable for compensation under the law. Shareholders of the Company who abuse the Company's independent status as a legal person and the limited liability of shareholders to evade repayment of debts causing material damage to the interests of the Company's creditors shall be jointly and severally liable for repayment of debts owed by the Company.

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

Section II Controlling shareholders and actual controllers

Article 61 The Company's controlling shareholders and actual controllers shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchange(s), safeguarding the interests of the listed company.

Article 62 The Company's controlling shareholders and actual controllers shall comply with the following provisions:

(1) exercise shareholders' rights lawfully, without abusing control or using related-party relationships to jeopardise the legitimate rights and interests of the Company or other shareholders;

(2) strictly fulfill public statements and commitments made, without unilaterally altering or waiving them;

(3) strictly fulfill information disclosure obligations, proactively cooperate with the Company in information disclosure, and promptly inform the Company of significant events that have occurred or may occur;

(4) not to occupy the Company's funds in any manner;

(5) not to coerce, direct or require the Company or related personnel to provide guarantees in violation of laws or regulations;

(6) not to use undisclosed material information of the Company for personal gain, disclose such information in any way, or engage in illegal activities such as insider trading, short-term trading or market manipulation;

(7) not to jeopardise the legitimate rights and interests of the Company or other shareholders through unfair related-party transactions, profit distribution, asset restructuring, external investments or any other means;

(8) ensure the Company's asset integrity, personnel independence, financial independence, institutional independence and business independence, and not to affect the Company's independence in any way;

(9) comply with other requirements of laws, administrative regulations, provisions of the CSRC, rules of the stock exchange(s) and the Articles of Associations.

If the controlling shareholders or actual controllers of the Company do not serve as directors of the Company but effectively manage the Company's affairs, they shall be subject to the provisions of the Articles of Association regarding directors' fiduciary and diligent obligations.

If the controlling shareholders or actual controllers of the Company instruct directors or senior management personnel to engage in activities that jeopardise the interests of the Company or shareholders, they shall bear joint and several liabilities with such directors or senior management personnel.

Article 63 When controlling shareholders or actual controllers pledge the Company's shares they hold or effectively control, they shall maintain the stability of the Company's control and production and operations.

Article 64 When controlling shareholders or actual controllers transfer the Company's shares they hold, they shall comply with the restrictive provisions on share transfers under laws, administrative regulations, requirements of the CSRC and rules of the stock exchange(s), as well as any commitments made regarding restrictions on share transfers.

CHAPTER 6 SHAREHOLDERS' GENERAL MEETING

Section I General provisions of shareholders' general meeting

Article 65 The shareholders' general meeting of the Company shall be composed of all shareholders. The shareholders' general meeting is the organ of authority of the Company and shall exercise its functions and powers in accordance with law.

Article 66 The general meeting shall have the following functions and powers:

(1) to elect and replace directors and decide on matters relating to their remuneration;

(2) to consider and approve the reports of the board;

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

(4) to resolve on the increase or reduction of the Company's registered capital;

(5) to resolve on merger, split, dissolution, liquidation of the Company or change of company type;

(6) to resolve the issue of debentures and other marketable securities by the Company and the listing proposal;

(7) to resolve the appointment and removal of the accounting firm that undertakes the auditing engagement of the Company;

(8) to amend the Articles of Association, and to consider and approve the Rules of Procedures for the General Meetings and the Rules of Procedures for the Board of Directors;

(9) to consider the motions raised by shareholders who individually or jointly hold more than 1% of the total number of voting shares of the Company;

(10) to consider and approve the guarantee-related matters required to be considered and approved at the general meeting as stipulated in Article 67 of the Articles of Association;

(11) to consider and approve matters relating to the acquisition and disposal of major assets and external guarantee that exceed 30% of the Company's latest audited total assets of the Company within one year;

(12) to consider and approve matters relating to the Company's venture capitals (including but not limited to debentures, futures, stocks and entrusted wealth management), entrusted loan, external investment and other transactions that exceed 30% of the Company's latest audited total assets within one year;

(13) to consider and approve matters relating to leasing, renting, entrusted operation, agency operation or joint operation that exceed 30% of the Company's latest audited total assets within one year;

(14) to consider and approve related party transactions that exceed 1% of the Company's latest audited total assets or market value and exceed RMB30,000,000 in amount (save for provision of guarantee and acceptance of donated cash assets) and related party transactions subject to resolution at the general meetings and/or by independent shareholders (if applicable) according to the securities regulatory rules of the place(s) where the shares of the Company are listed;

(15) to consider and approve matters relating to the change of use of the raised proceeds;

(16) to consider and approve the equity incentive plan and employee stock ownership plan;

(17) the annual general meeting of the Company has the power to authorize the board of directors to decide on the issuance of shares to specific targets with an aggregate amount of financing not exceeding RMB300 million and not exceeding 20% of the net assets as at the end of the most recent year, and such authorization shall expire on the date of the next annual general meeting;

(18) to consider and approve other matters as required by laws, administrative regulations, departmental rules, securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association to be resolved at the general meeting and/or by independent shareholders (if applicable).

The shareholders' general meeting may authorise the board to make resolutions on the issuance of corporate bonds. The shareholders' general meeting may also authorise the board to decide, within three years, on the issuance of shares not exceeding 50% of the issued shares, provided that contributions in non-monetary assets shall be approved by a resolution of the shareholders' general meeting. General meetings may authorise or appoint the board to deal with such matters as authorised or appointed to be dealt with. Matters that shall be decided by the general meeting as stipulated by the laws, regulations and the Articles of Association, must be considered and approved at such a meeting to safeguard the shareholders' right of decision-making for such matters.

Article 67 The following external guarantees of the Company shall be considered and approved at the general meeting:

(1) guarantee with a single amount exceeding 10% of the latest audited net assets of the Company;

(2) any guarantee provided after the total amount of external guarantee of the Company and its controlled subsidiaries reaches or exceeds 50% of the latest audited net assets of the Company;

(3) guarantee provided in favour of a guaranteed party with a gearing ratio exceeding 70%;

(4) any guarantee provided after the total amount of external guarantee provided in 12 consecutive months reaches or exceeds 30% of the latest audited total assets of the Company;

(5) guarantees provided to shareholders, actual controller and their related parties;

(6) guarantee provided to other related parties of the Company;

(7) other guarantees subject to consideration at the general meeting and/or by independent shareholders (if applicable) as prescribed by laws, administrative regulations and the securities regulatory rules of the place(s) where the Company's shares are listed.

The guarantee referred to in sub-paragraph (4) of the preceding paragraph shall be approved by more than two-thirds of the shareholders holding voting rights present at the general meeting. Where the Company provides guarantees for a wholly-owned subsidiary, or for a controlling subsidiary and other shareholders of the controlling subsidiary provide the same proportion of guarantee according to the rights and interests they enjoy, provided that the interests of the Company are not prejudiced, the provisions of sub-paragraphs (1) to (3) of the preceding paragraph may be exempted. The Company shall summarise and disclose the aforesaid guarantee in the annual report and interim report.

Where the general meeting considers the guarantee proposal for shareholders, actual controller and their related parties, such shareholders or shareholders and their related parties (and relevant parties as designated under the securities regulatory rules of the place(s) where shares of the Company are listed) controlled by such actual controller shall not participate in the voting. The proposal shall be passed by more than half of the voting rights held by non-related shareholders present at the general meeting.

The term "external guarantee" mentioned in the Articles of Association shall refer to the guarantee provided by the Company for others, including the guarantee provided by the Company for its controlling subsidiaries. The term "total amount of external guarantees of the Company and its controlling subsidiaries" refers to the sum of the Company's total external guarantees, including the Company's guarantees to its controlling subsidiaries and the total external guarantees provided by its controlling subsidiaries.

In the event that the Company's external guarantee is in breach of the approval authority and consideration procedures and causes losses to the Company, the relevant responsible persons shall be responsible for compensation and the Company shall, depending on the amount of economic losses suffered by the Company and the severity of the situation, impose corresponding penalties on the relevant responsible persons.

Article 68 Save for special circumstances such as the Company is in crisis, the Company shall not, without the prior approval of the general meeting, enter into any contract with any person other than directors and members of the senior management whereby the management of the whole or any substantial part of the business of the Company is to be handed over to such person.

Article 69 General meetings shall include annual general meetings and extraordinary general meetings. General meeting in general shall be convened by the board. The annual general meetings shall be held once every financial year within 6 months after the conclusion of the previous accounting year.

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

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

(2) when the losses of the Company that have not been made up amount to one-third of the total amount of its share capital;

(3) when shareholder(s) individually or in aggregate holding 10% or more of the Company's issued and outstanding shares carrying voting rights on a one-share-one-vote basis request(s) in writing the convening of an extraordinary general meeting;

(4) when deemed necessary by the board or proposed by the audit committee;

(5) when more than one-half of all independent non-executive directors of the Company agree with the proposal of holding the meeting;

(6) other circumstances stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association.

The number of shares held under item (3) above shall be calculated according to the date of written request by shareholders.

Article 70 The venue for convening a general meeting shall be the domicile of the Company or the place determined by the convener in the notice of the meeting.

General meetings shall be held on-site at the designated place or through teleconference, video and internet or other means as permitted by laws and regulations (including listing rules of the stock exchange(s) where the shares of the Company are listed). The Company shall facilitate shareholders' participation in the general meeting by adopting safe, economical and convenient means such as internet in accordance with relevant laws, administrative regulations, requirements of the CSRC and the Articles of Association. After the notice of the general meeting is served, the venue of the on-site meeting of the general meeting shall not be changed without justifiable reasons. If there is a real need for change, the convener shall make an announcement at least 2 business days before the on-site meeting and explain the reasons.

Article 71 Where the Company convenes the general meeting, it shall engage lawyers to issue legal opinions and make announcements on the following issues:

(1) whether the convening and holding procedures of the meeting conform to the provisions of laws, administrative regulations and the Articles of Association;

(2) whether the qualifications of the parties attending the meeting and the convener are legal and valid;

(3) whether the voting procedures and results of the meeting are legal and valid;

(4) legal opinions issued on other relevant issues at the request of the Company.

Section II Convening of shareholders' general meeting

Article 72 The board shall convene the shareholders' general meeting on time and within the prescribed period.

Independent non-executive directors shall have the right to propose to the board to convene an extraordinary general meeting with the approval from more than one-half of the independent non-executive directors. The board shall, in accordance with provisions of the laws, regulations and the Articles of Association, furnish a written reply on whether or not to convene the extraordinary general meeting within 10 days after receiving such proposal.

If the board agrees to convene the extraordinary general meeting, it shall issue a notice of the general meeting within 5 days after the resolution is passed by the board. If the board does not agree to convene the extraordinary general meeting, it shall explain the reasons and make a public announcement thereof.

Article 73 The audit committee shall be entitled to propose to the board to convene an extraordinary general meeting, and shall put forward its proposal to the board in writing. The board shall, pursuant to the laws, administrative regulations and the Articles of Association, furnish a written reply on whether or not to convene the extraordinary general meeting within 10 days after receiving such proposal.

If the board agrees to convene the extraordinary general meeting, it will serve a notice of such meeting within five days after the resolution is passed by the board. In the event of any change to the original proposal set forth in the notice, the consent of the audit committee shall be obtained.

If the board does not agree to convene the extraordinary general meeting or fails to furnish a written reply within 10 days after receiving such proposal, the board shall be deemed to be unable or fail to perform the duty of convening the general meeting, and the audit committee may convene and preside over the meeting on its own.

Article 74 The shareholders shall comply with the following procedures when they propose to convene an extraordinary general meeting:

Any shareholder(s) individually or in aggregate holding more than 10% of the Company's shares on a one-share-one-vote basis may sign one or more written request(s) of identical form and substance requesting the board to convene an extraordinary general meeting and stating the subject of the meeting. The above shareholders shall ensure that the contents of the proposal comply with the provisions of the laws, regulations and the Articles of Association. The board shall, in accordance with the laws, regulations and the Articles of Association, furnish a written reply on whether or not to convene the extraordinary general meeting within 10 days after receiving such request. The aforesaid number of shares shall be calculated at the market close on the date which the shareholder(s) propose such written request (if it falls on a non-trading date, the trading date immediately prior to the date which the shareholder(s) propose such written request).

If the board agrees to convene an extraordinary general meeting, it shall serve the notice of such meeting within five days after the resolution is passed by the board. Consent of the relevant shareholder(s) shall be obtained in the event of any changes made to the original proposal in the notice.

If the board does not agree to convene an extraordinary general meeting or fails to furnish a written reply within 10 days after receiving such proposal, any shareholder(s) individually or in aggregate holding more than 10% of the Company's shares on a one-share-one-vote basis is/are entitled to propose to the audit committee for convening an extraordinary general meeting and such proposal shall be made in writing.

If the audit committee agrees to convene an extraordinary general meeting or a class meeting, it shall serve the notice of such meeting within five days after receiving such proposal. Consent of such shareholder(s) shall be obtained in the event of any changes made to the original proposal in the notice.

If the audit committee fails to serve any notice of an extraordinary general meeting within the prescribed period after receiving such proposal, the audit committee is deemed not to convene and preside over such meeting, in which case the shareholder(s) individually or in aggregate holding more than 10% of the Company's shares on a one-share-one-vote basis for more than 90 consecutive days may convene and preside over such a meeting on his or their own accordingly.

Article 75 Where the audit committee or the shareholder(s) decide to convene a general meeting on its or their own, it or they shall notify the board of directors in writing and file with the stock exchange(s).

Before the announcement of the resolutions of the general meeting is made, the shareholding of the convening shareholder(s) shall not be less than 10%.

Upon service of the notice of the general meeting and the announcement of the resolutions of the general meeting, the audit committee or the convening shareholder(s) shall submit the relevant supporting materials to the stock exchange(s) of the place(s) where the Company's shares are listed.

Article 76 Where the audit committee or the shareholder(s) convene a general meeting on its or their own, the board of directors and the secretary to the board shall provide assistance. The board will provide the register of members as of the date of the share registration. In the event that the board fails to provide the register of members, the convener may apply to the securities registration and clearing institution or the agency with the relevant notice or announcement on the convening of the general meeting for obtaining the register of members. The register of members obtained by the convener shall not be used for purposes other than convening the general meeting.

Article 77 Any necessary expenses incurred in connection with the convening and holding of the general meeting by the audit committee or the shareholder(s) on its or their own shall be borne by the Company.

Section III Proposal and notice of general meeting

Article 78 Content of proposals of general meeting shall be matters falling within the functions and powers of general meeting with definite topics and specific matters for resolution, and shall comply with the laws, administrative regulations and the Articles of Association.

Article 79 Subject to compliance with the laws, regulations and the securities regulatory rules of the place(s) where the Company's shares are listed, when the Company convenes an annual general meeting, a written notice of the meeting shall be given at least 21 days before the date of the meeting; when the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given at least 15 days before the date of the meeting, to notify all of the shareholders in the share register for the matters to be considered and the date and the place of the meeting.

In determining the commencement date and the period, the date of the meeting shall be excluded.

Article 80 When the Company convenes a general meeting, the board of directors, the audit committee, or shareholder(s) individually or in aggregate holding more than 1% of the shares of the Company shall have the right to propose new proposals in writing.

Shareholder(s) individually or in aggregate holding more than 1% of the shares of the Company may submit their provisional proposals in writing to the convener 10 days before the convening of the general meeting. The convener shall issue a supplementary notice of the general meeting within two days after receiving the proposals to notify the content of the provisional proposals, and shall submit such provisional proposals to the general meeting for consideration, except for provisional proposals that violate laws, administrative regulations, or the Articles of Association, or that fall outside the scope of power of the general meeting. The Company shall not increase the shareholding percentage required for shareholders to submit provisional proposals.

Save as the circumstances provided in the preceding paragraphs, after the issue of the notice of the general meeting by the convener, no changes shall be made to the proposals stated in the notice of the general meeting nor shall new proposals be added.

Proposals not stated in the notice of the general meeting or which do not meet the requirements in Article 78 herein and paragraph 2 of this Article, shall not be voted or resolved at the general meeting.

Article 81 A notice of a general meeting shall include the following:

(1) it shall be in writing;

(2) it shall specify the place, the date and the time of the meeting;

(3) it shall state the matters to be discussed at the meeting and shall make full disclosure of the contents of each proposal. If it is required to alter matters involved in the resolutions of the previous general meeting, the contents of the proposal shall be complete rather than merely setting out the changed contents. Matters included in "Other Matters" without specific contents shall not be deemed as a proposal, and shall not be voted on at the general meeting;

(4) provide such information and explanation as are necessary for the shareholders to exercise an informed decision on the proposals before them, including (but not limited to) where a proposal is made to merger, to repurchase shares, to reorganise the share capital, or to restructure the Company in any other way, the terms of the transaction proposed to be considered must be provided in detail together with copies of the proposed agreement, if any, and the cause and effect of such proposal must be properly explained;

(5) contains a disclosure of the nature and extent, of the material interests, if any, of any director, general manager and other member of the senior management in the matter(s) to be discussed and the effect on them in their capacities as shareholders in so far as it is different from the effect on other shareholders of the same class;

(6) contains the full text of any special resolutions proposed to be adopted at the meeting;

(7) contains conspicuously a statement that: all the shareholders are entitled to attend the general meeting, and may appoint in writing proxy to attend and vote on their behalf and that proxy need not be a shareholder of the Company;

(8) specifies the time and place for lodging proxy forms for the relevant meeting;

(9) specifies the record date for shareholders entitled to attend the shareholders' general meeting, and that interval between record date and the date of the meeting shall comply with the provisions of the relevant stock exchanges or regulatory agencies where the Company's shares are listed;

(10) the name and telephone number of the permanent contact person for the conference;

(11) the time and procedure for voting by internet or other means.

The notice and/or the supplementary notice of the general meeting shall fully and completely disclose all specific contents of all proposals. If the matters to be discussed require the independent non-executive directors to express their opinions, the opinions and reasons thereof of the independent non-executive directors shall be disclosed at the same time when the notice or the supplementary notice of the general meeting is served, or shall be published in the circulars and documents issued to shareholders as required by the stock exchange(s) of the place(s) where the Company's shares are listed.

In the event that the general meeting adopt online transmission or other means, the time and procedures for voting via internet or by other ways will be specifically stated in the notice of the general meeting.

Article 82 Unless otherwise provided in the laws, regulations, the securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Associations, the notice of a general meeting shall be published through the website(s) of the stock exchange(s) on which the Company's shares are listed, the website of the Company or other information disclosure platform(s), or sent to the shareholders (whether or not entitled to vote at the meeting), by personal delivery or prepaid airmail to their addresses as shown in the register of shareholders. For the holders of domestic shares, such notice of the general meeting may be issued by way of public notice.

The public notice referred to in the preceding provision shall be published in one or more newspapers designated by the CSRC and the securities regulatory authorities of the place(s) where shares of the Company are listed. After the publication of such notice, the holders of domestic shares shall be deemed to have received the notice of the relevant general meeting.

For holders of overseas listed foreign shares, subject to the securities regulatory rules of the place(s) where the Company's shares are listed, the notice of a general meeting may also be issued or given in accordance with other means endorsed by the relevant regulatory authorities of the place(s) where the Company's shares are listed or other means as permitted by Chapter 17 of the Articles of Association. Subject to compliance with the Listing Rules of the Stock Exchange and the Articles of Association, once the announcement is made, it shall be deemed that all holders of overseas-listed foreign shares have received the notice of the relevant shareholders' general meeting.

Article 83 Where the general meeting proposes to discuss the election of non-employee representative directors, the notice of the general meeting shall fully disclose the detailed information of the candidates for non-employee representative directors, including at least the following:

(1) education background, work experience, part-time occupation and other personal particulars;

(2) whether there is any related party relationship with the Company or its controlling shareholder and the actual controller;

(3) disclosure of the number of shares held in the Company;

(4) whether he/she has been punished by the CSRC and other relevant departments and disciplined by the stock exchange(s);

(5) other requirements by the securities regulatory rules of the place(s) where the Company's shares are listed.

Except for the cumulative voting system for the elections of directors, each candidate for directors shall be proposed as an individual proposal.

Article 84 After the notice of general meeting is issued, the general meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the event that the general meeting is to be postponed or cancelled, the convener shall make an announcement at least 2 business days prior to the original date of general meeting and explain the reasons.

Article 85 The accidental omission to give the notice of meeting to, or the non-receipt of the notice of meeting by, any persons entitled to receive such notice shall not invalidate the meeting and the proceedings at that meeting.

Section IV Convening of shareholders' general meeting

Article 86 The board of directors of the Company and other conveners shall take necessary measures to ensure proper order at the general meetings. Measures shall be taken to restrain any act which would interfere with or cause nuisance at a general meeting or would infringe the legitimate rights and interests of shareholders, with a report on such act submitted in time to relevant authorities for investigation and treatment.

Article 87 All shareholders registered on the record date or their proxies shall be entitled to attend and speak at the general meeting and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association, unless an individual shareholder is required by law, regulation, the listing rules of the stock exchange(s) on which the Company's shares are listed or these Articles to abstain from voting on individual matters.

Shareholders may attend the general meeting in person or appoint proxies to attend and vote on their behalf.

Article 88 An individual shareholder attending the meeting in person shall produce his/her identity card or other valid certificate or proof of his/her identification. In the case of attendance by a proxy, the proxy shall produce his/her valid identity document and power of attorney issued by the shareholder.

Legal person shareholders shall be represented by its legal representative or proxy appointed by its legal representative to attend the meeting. In case of attendance by legal representatives or proxies appointed by legal representatives, the legal person shareholder shall be deemed to have attended the meeting in person. In case of attendance by legal representatives, they shall show their identity cards and valid proof of their qualification as legal representatives. In case of attendance by proxies appointed by legal representatives, such proxies shall show their identity cards and a written legal power of attorney duly issued by the legal representative of the legal person shareholder.

Where a shareholder is a recognised clearing house (or its nominee(s)) as defined in the Securities and Futures Ordinance of Hong Kong, it may authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company and/or creditors' meeting provided that if more than one person is authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Such authorised person may attend the general meeting of the Company and creditors' meeting and shall be entitled to exercise the same statutory rights and power (including the right to speak and vote) as other shareholders on behalf of the recognised clearing house (or its nominee(s)) which he or they represent as if such person is an individual shareholder of the Company.

Article 89 Any shareholder entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his proxy to attend and vote on his behalf, and a proxy so appointed shall:

(1) have the same right as the shareholder to speak at the meeting;

(2) have authority to demand or join in demanding a poll; and

(3) have the right to vote by hand or on a poll, but when there are more than one proxy, that proxy may only exercise his voting rights on a poll.

Article 90 The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a legal entity either under seal or under the hand of the legal representative (or a director) or attorney duly authorised. Such instrument shall state the number of shares represented by the proxy. Where more than one proxy is appointed, the instrument shall state the numbers of shares represented by each of the proxies.

Article 91 Power of attorney issued by shareholders appointing proxies to attend the general meeting shall specify the following:

(1) the names of the appointers and the class and number of shares of the Company held by them;

(2) the names of the proxies;

(3) whether there are voting rights;

(4) specific instructions of the shareholders, including instructions to vote for, against or abstain from voting on each resolution on the agenda of the general meeting, etc.;

(5) whether there are voting rights for provisional proposals that may be included in the agenda of the general meeting, and if so, specific instructions on how the voting rights should be exercised;

(6) the date of issuance and the effective period of the power of attorney;

(7) the signature (or seal) of the appointer, and in case that the appointer is a legal person, under its common seal.

Article 92 The instrument appointing a proxy shall be deposited, at least 24 hours before the relevant meeting at which the proxy is appointed for voting is held, or 24 hours before the designated voting time, or within such time as specified in the notice convening the meeting, at the Company's residence or at other places designated in the notice for convening the meeting. Where the proxy form is signed by another person organised by the entrustor, the power of attorney or other authorisation documents organised to be signed shall be notarised. The notarised power of attorney or other authorisation documents and the proxy form shall be kept at the domicile of the Company or at other places designated in the notice of the meeting.

If a shareholder is a company, it may appoint one representative to attend and vote at any general meeting of the Company, and such company shall be deemed to be present in person if it has appointed a representative to attend any meeting.

Where a shareholder is a recognised clearing house (or its nominee(s)) as defined in the Securities and Futures Ordinance, it may authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company or at any meeting of any class shareholders and/or creditors' meeting provided that if more than one person is authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Such authorised person shall be entitled to exercise the same statutory rights and power (including the right to speak and vote) as other shareholders on behalf of the recognised clearing house (or its nominee(s)) which he or they represent as if such person is an individual shareholder of the Company.

Article 93 Any form issued to a shareholder by the board for use by him for appointing a proxy to attend and vote at a meeting of the Company shall be such as to enable the shareholder, according to his intention, to instruct the proxy to vote in favour of or against each resolution dealing with the business(es) to be transacted at the meeting.

Article 94 A vote given in accordance with the terms of an instrument of proxy shall remain valid notwithstanding the death or loss of capacity of the appointor 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 before the commencement of the meeting at which the proxy is used.

Article 95 A registration book for attending the general meeting shall be prepared by the Company, which shall be signed by attendees present at the meeting. The registration book shall set out such information as the name of the participants (and/or the attending entity), identity card numbers, information confirming identities of shareholders (such as number of shareholder accounts), number of shares held or represented carrying voting rights, names of the appointers (or the appointing entity), etc..

Article 96 The convener and lawyers engaged by the Company shall together verify the validity of qualification of shareholders in accordance with the register of shareholders provided by the securities registration and clearing institution, and shall register the name of shareholders as well as the number of shares carrying voting rights held by them. Attendance registration of the meeting shall end before the chair of the meeting announces the number of shareholders and their proxies present at the on-site meeting and the total number of voting shares held by them.

Article 97 If the general meeting requires directors or senior management members to be present at the meeting, the directors or senior management members shall be present at the meeting and respond to shareholders' inquiries.

Article 98 Where the general meetings are convened by the board, they shall be chaired and presided over by the chairman. Where the chairman is unable to or fails to do so, the vice chairman shall preside over such a meeting; and where the vice chairman is unable to or fails to do so, a director jointly elected by more than half of the directors shall preside over it.

For a general meeting convened by the audit committee on its own according to legal procedures, it shall be presided over by the convener of the audit committee. Where the convener of the audit committee is unable or fails to perform duties, the meeting shall be presided over by a member of the audit committee jointly elected by more than half of the members of the audit committee.

For a general meeting convened by the shareholder(s) according to legal procedures, the convener or a representative nominated by the convener shall preside over the meeting.

When a general meeting is held and the chairman of the meeting violates the rules of procedures such that the general meeting cannot proceed, a person may be elected to preside over the meeting by over one half of the shareholders attending the meeting on-site and with voting rights so as to carry on the general meeting. If the shareholders fail to elect a chairman for whatever reason, the shareholder present at the meeting (including any proxy of such a shareholder) holding the most voting shares shall chair and preside over the meeting.

Article 99 The Company shall formulate the Rules of Procedures for the General Meetings, specifying in detail the convening, holding and voting procedures of the general meeting, including notice, registration, consideration, voting of proposal(s), counting of votes, announcement of voting results, formation of resolutions, meeting minutes and signature, and announcement, as well as the principles of granting authorisation to the board at the general meeting, which shall be clear and specific.

Article 100 At the annual general meeting, the board shall report their work in the previous year. Each independent non-executive director shall also issue a work report.

Article 101 Directors and senior management shall give explanations and statements on shareholders' enquiries and suggestions at the general meeting, except for matters in relation to commercial secrets of the Company which cannot be made public at the general meeting.

Article 102 The chairman of the meeting shall, prior to voting, announce the number of shareholders and proxies present at the on-site meeting and the total voting shares held by them, each subject to that recorded by the meeting.

Article 103 The general meeting shall be furnished with meeting minutes, which shall be kept by the secretary to the board. The minutes of the meeting shall record the following:

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

(2) the name of the chairman of the meeting and the directors and senior management personnel attending the meeting;

(3) the number of shareholders and proxies attending the meeting, the total number of shares carrying voting rights held and the proportion of the total number of shares in the Company;

(4) the consideration process, gist of the speech and voting results of each proposal;

(5) shareholders' enquiries or suggestions and the corresponding replies or explanations;

(6) names of the lawyers, vote counters and scrutineers;

(7) other contents stipulated in the Articles of Association that shall be included in the minutes of the meeting.

The minutes of the meeting shall also include: (1) the number of voting shares held by holders of domestic shares (including their proxies) and holders of overseas listed foreign shares (including their proxies) attending the shareholders' general meeting, and the respective proportion of the total number of shares of the Company; (2) when recording the voting results, the voting results of holders of domestic shares and holders of overseas listed foreign shares on each resolution shall also be recorded.

Article 104 The convener shall ensure the truthfulness, accuracy and completeness of the minutes of the meeting. The directors, secretary to the board, convener or their representatives, and the chairman of the meeting who attend or be present at the meeting shall sign the minutes of the meeting. The meeting minutes, the signed attendance record of the shareholders attending in person, the powers of attorney for attendance by proxy and the valid information relating to the voting via network or by other means shall be kept as company files for at least 10 years.

Article 105 The convener shall ensure the continuity of the general meeting until the final resolution is achieved. If the general meeting is terminated or fails to reach any resolution due to force majeure or for other special reasons, necessary measures shall be taken to resume the meeting as soon as possible or shall directly terminate the meeting. Meanwhile, the convener shall report to the local branch of the CSRC where the Company is domiciled and the stock exchanges.

Section V Voting and resolutions of shareholders' general meeting

Article 106 Resolutions of general meeting shall be classified into ordinary resolutions and special resolutions.

To adopt an ordinary resolution, votes representing more than half of the voting rights represented by the shareholders present at the meeting must be exercised in favour 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 present at the meeting must be exercised in favour of the resolution in order for it to be passed.

Article 107 A shareholder (other than class shareholder) may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote.

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

When significant matters affecting the interests of the minority shareholders are considered at the general meeting, the votes cast by minority investors shall be counted separately. The results of separate counting shall be disclosed to the public in a timely manner.

The shares held by the Company in the Company have no voting rights, and that part of the shareholding shall not be counted as the total number of shares with voting rights held by shareholders attending the meeting.

If a shareholder purchases voting shares of the Company in violation of the provisions of Article 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised for a period of thirty-six months after the purchase and shall not be counted as part of the total number of voting shares present at the general meeting.

The board of the Company, independent non-executive directors, shareholders holding more than 1% of the shares carrying voting rights or investor protection agencies established in accordance with laws, administrative regulations or requirements of the CSRC may publicly solicit shareholders' voting rights. The specific voting intentions and other information shall be fully disclosed to the persons whose voting rights are being solicited when soliciting shareholders' voting rights. It is forbidden to solicit shareholders' voting rights with compensation or compensation in disguised form. The Company shall not impose a minimum shareholding proportion limit on the solicitation of voting rights except for statutory conditions.

Article 108 Voting at the general meeting shall be taken by registered ballot or other methods required by the securities regulatory rules of the place(s) where the Company's shares are listed.

Article 109 Shareholders present at the general meeting shall take one of the following stances on the proposal put forward for voting: for, against or abstain; unless the securities depository and clearing institution, as the nominee holder of shares transacted through the mutual connection mechanism between stock markets in Mainland China and Hong Kong, makes declarations according to the intention of the actual holders.

Blank, erroneous or illegible ballot papers and uncast ballot papers are deemed as abstained from voting by the voters, and the voting result representing the shares held by such voters shall be counted as "abstention".

Article 110 At any general meeting of shareholders, a resolution shall be decided on a show of hands unless otherwise stipulated under laws, securities regulatory authorities and stock exchange(s) of the place(s) where the shares of the Company are listed or a poll is (before or after any vote by show of hands) demanded:

(1) by the chairman of the meeting;

(2) by at least two shareholders entitled to vote present in person or by proxy; or

(3) by one or more shareholders present in person or by proxy representing 10% or more of all shares (whether by one shareholder individually or in aggregate with other shareholders) carrying the right to vote at the meeting.

Unless a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn by the person who makes such demand.

Article 111 A poll demanded on the election of the chairman, or on a question of adjournment of the meeting, shall be taken forthwith. A poll demanded on any other matter shall be taken at such time as the chairman directs, and the meeting may proceed to discuss other matters, while the result of the poll shall still be deemed to be a resolution of that meeting.

Article 112 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 113 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

Article 114 When the general meeting considers matters on related party transactions, the related shareholders shall not participate in the voting, and the number of shares carrying voting rights they represent shall not be counted into the total number of valid votes. The resolution of the general meeting shall disclose in detail the voting results of non-related shareholders (i.e., independent shareholders).

Article 115 Prior to the completion of consideration and voting on matters regarding the related party transactions at the general meeting, the related shareholders shall apply to the chairman of the meeting for abstention and the chairman shall announce the same to the meeting. Non-related shareholders (including their proxies) and members of the audit committee present at the meeting shall have the right to request the chairman of the meeting for the related shareholders to abstain from the voting and explain the reasons. If the related shareholders who are requested to abstain have no objection to the abstention request, they shall not participate in the voting. If the shareholder who is required to abstain considers that he/she is not a related shareholder and does not need to perform abstention procedures, he/she shall explain the reasons to the general meeting, and the members of the board present at the meeting shall make a determination according to the provisions of the Articles of Association and other relevant systems. If the shareholder who is required to abstain is determined to be a related shareholder, he/she shall not participate in the voting. In case of the above circumstances, the minutes of the general meeting shall record the same in detail.

Resolutions regarding related transactions shall be adopted upon approval of more than half of non-related shareholders present holding voting rights; provided that such related transactions involve matters subject to approval by special resolutions as required under the Articles of Association, approval from more than two-thirds of non-related shareholders present shall be obtained.

Article 116 The following matters shall be resolved by an ordinary resolution at a general meeting:

(1) work reports of the board;

(2) plans formulated by the board for the distribution of profits and for making up losses;

(3) appointment and removal of the members of the board, their remunerations and methods of payment;

(4) engagement or dismissal and remuneration of auditors that undertake the auditing engagement of the Company;

(5) matters concerning change of use of the raised proceeds;

(6) matters other than those required by the laws and administrative regulations and the securities regulatory rules of the place(s) where the shares of the Company are listed or by the Articles of Association to be adopted by special resolution.

Article 117 The following matters shall be resolved by a special resolution at a general meeting:

(1) the increase or reduction of share capital and the issue of any classes of shares, warrants and other similar securities;

(2) the issue of the debentures of the Company;

(3) the split, spin-off, merger, dissolution and liquidation (including voluntary winding-up) of the Company or change of company type;

(4) amendments to the Articles of Association;

(5) the acquisition or disposal of major assets or guarantees within 12 consecutive months reaches or exceeds 30% of the Company's latest audited total assets;

(6) equity incentive plan;

(7) any other matters as required by the laws, regulations, the securities regulatory rules of the place(s) where the shares of the Company are listed or the Articles of Association, and considered by the general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company and should be adopted by a special resolution.

Article 118 The list of candidates for directors shall be submitted as proposal for voting at the general meeting.

When voting in respect of the election of directors or election of more than two independent non-executive directors at the general meeting, according to the provisions of the Articles of Association or the resolutions of the general meeting, if the proportion of shares owned by a single shareholder of the Company and its parties acting in concert reaches 30% or above, the Company shall implement a cumulative voting system in electing directors.

For the election of directors, the cumulative voting system shall be adopted, the procedures of which are as follows:

1. The election of independent non-executive directors and non-independent directors shall be voted separately.

   (1) in the election of independent non-executive directors, the number of votes which each attending shareholder is entitled to cast is equal to the number of shares held by them, multiplied by the number of independent non-executive director to be elected in that general meeting. That portion of voting rights may only be cast on candidates for independent non-executive directors of the Company.

   (2) in the election of non-independent directors, the number of votes which each attending shareholder is entitled to cast is equal to the number of shares held by them, multiplied by the number of non-independent directors to be elected in that general meeting. That portion of voting rights may only be cast on candidates for non-independent directors of the Company.

2. The number of votes held by each share is equal to the number of directors the shareholder is entitled to elect, and the shareholders may divide their votes equally among each candidates for directors, or may concentrate their votes on one or some of the candidate(s), provided that the total number of votes exercised by a shareholder shall not exceed the total number of votes he is entitled to for such category of candidates.

3. The candidates for directors shall in the end be determined according to the number of votes and the requirements for directors in this Articles of Association.

4. Before voting for the candidates for directors at the general meeting, the chairman of the meeting shall expressly inform the shareholders attending the meeting of the adoption of cumulative voting system for the candidates for directors. The board of directors shall prepare ballot tickets that are suitable for cumulative voting system. The secretary to the board shall state and explain the method of cumulative voting system and the approach to filling in the ballot tickets.

Article 119 Except for the cumulative voting system, all proposals shall be voted individually at the general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals are presented. Except where a general meeting is suspended or no resolution can be adopted due to force majeure or other special reasons, no proposal shall be set aside or rejected for voting at the meeting.

When considering a proposal at the general meeting, no amendment shall be made thereto; and any change shall be treated as a new proposal which cannot proceed for voting at such general meeting.

The voting right of the same shares shall be exercised only by one of the ways of on-site voting, online voting or other means of voting. In case of repeated voting for the same shares, the result of the first vote shall prevail.

Article 120 Before a proposal is voted on at a general meeting, two shareholder representatives shall be elected for counting the votes and scrutinising the poll. Any shareholder who is related to the matter under consideration and his/her proxies shall not participate in vote counting or scrutinising.

When the shareholders are voting on the proposals at a general meeting, the votes shall be counted and scrutinised jointly by the lawyers and shareholder representatives, and the voting results shall be announced on the spot. Voting results on the proposals shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies who cast their vote online or by other means shall have the right to check and inspect their voting results through the relevant voting system.

Article 121 The on-site general meeting shall not conclude earlier than that over network or by other means. The chairman of the meeting shall announce the voting and results of each of the proposals, and announce whether or not the proposals are adopted according to the voting results.

Before the results are officially announced, all related parties such as the Company, vote counters, vote scrutinisers, shareholders and network service providers involved in the on-site general meeting, online or other means of voting are obliged to keep the results confidential.

Article 122 The chairman of the meeting shall decide whether or not a resolution has been carried based on the counting results conducted by those who counted the votes. The decision of the chairman shall be final and shall be announced at the meeting and recorded in the minutes of the meeting.

Article 123 Any resolution passed at the general meeting shall conform to the relevant provisions of PRC laws, administrative regulations, securities regulatory rules of the place(s) where the shares of the Company are listed and the Articles of Association.

Article 124 If the chairman of the meeting has any doubts about the result of a resolution put to the vote, he/she may organise counting of the number of votes cast. If the chairman of the meeting has not counted the votes, a shareholder or proxy attending the meeting who challenges the result announced by the chairman of the meeting shall have the right to request counting of votes immediately after such announcement of voting results, and the chairman of the meeting shall organise counting of the votes immediately.

Article 125 If votes counted at a general meeting, the result of the counting shall be recorded in the minutes of the meeting. The minutes of the meeting, the attendance record of the attended shareholders and the proxy form of proxy shall be kept at the Company's domicile.

Article 126 Results of resolutions of the general meeting shall be announced timely, and the announcement shall contain the number of shareholders and proxies present, the total number of voting shares held by them and the proportion of such shares to the total voting shares of the Company, voting methods, voting result for each proposal and the details of each of the resolutions adopted.

Article 127 If a proposal is not passed, or if a resolution of the previous general meeting is altered by the present general meeting, a special note shall be made in the resolutions of the general meeting.

Article 128 Where the general meeting passes the relevant proposal(s) for election of non-employee representative directors, unless otherwise specified in the resolution of the general meeting, the commencement of office of the new directors shall be the date when the general meeting passes the relevant proposal(s).

Article 129 Where a proposal regarding cash dividends, bonus share issue or transfer of surplus reserve into share capital is adopted at the general meeting, the Company shall implement the specific plans within 2 months after the conclusion of the shareholders' meeting.

Article 130 Shareholders may examine photocopies of the minutes of meetings during the Company's office hours free of charge. If any shareholder demands from the Company a photocopy of the relevant minutes of meetings, the Company shall send such photocopies within 7 days of receiving payment of reasonable charges.

CHAPTER 7 SPECIAL VOTING PROCEDURES FOR CLASS SHAREHOLDERS

Article 131 Shareholders who hold different classes of shares shall be class shareholders.

Class shareholders shall have rights and assume obligations in accordance with the laws, administrative regulations and the Articles of Association.

Article 132 Rights conferred on class shareholders may not be varied or abrogated unless approved by a special resolution of shareholders in general meeting and by holders of shares of that class at a separate meeting conducted in accordance with provisions of Articles 134 to 138.

Where decisions made by domestic and overseas regulatory agencies in accordance with the law and changes in domestic and overseas laws and securities regulatory rules of the place(s) where shares of the Company are listed gives rise to variation or abrogation of the rights of class shareholders, approval by a general meeting or class meeting is unnecessary.

Article 133 The following circumstances shall be deemed to be variation or abrogation of the rights of a certain class of shareholders:

(1) to increase or decrease the number of shares of such class, or increase or decrease the number of shares of another class having voting or equity rights or privileges equal or superior to those of the shares of such class (except that subject to the approval of the securities regulatory authorities of the State Council, relevant securities regulatory authorities and stock exchange(s) of the listing place(s), shares held by holders of domestic shares may be transferred to overseas investors, and such transferred shares may be listed and traded at overseas);

(2) to effect a change of all or part of the shares of such class into shares of another class or to effect a change of all or part of the shares of another class into the shares of such class or the grant of the right to change (except that subject to the approval of the securities regulatory authorities of the State Council, relevant securities regulatory authorities and stock exchange(s) of the listing place(s), shares held by domestic shareholders may be transferred to overseas investors, and such transferred shares may be listed and traded at overseas);

(3) to remove or reduce rights to accrued dividends or rights to cumulative dividends attached to shares of such class;

(4) to reduce or remove preference to dividend or preference to distribution of assets in liquidation attached to shares of such class;

(5) to add, remove or reduce shares conversion rights, options, voting rights, transfer rights, preference in placings or rights to acquire securities of the Company attached to shares of such class;

(6) to remove or reduce rights attached to shares of such class to receive payment payable by the Company in particular currencies;

(7) to create a new class of shares having voting, distribution right or privileges equal or superior to those of the shares of such class;

(8) to restrict the transfer or ownership of the shares of such class or impose additional restrictions;

(9) to issue rights to subscribe for, or convert into, shares of such class or another class;

(10) to increase the rights and privileges of shares of another class;

(11) to restructure the Company where the proposed restructuring will result in different classes of shareholders assuming disproportionate obligations in such restructuring; and

(12) to vary or abrogate the provisions stipulated in this chapter.

Article 134 The class shareholders who are affected, whether or not otherwise having the right to vote at general meetings, shall nevertheless have the right to vote at class meetings in respect of the matters concerning paragraphs (2) to (8), (11) and (12) of Article 133, excepted that interested shareholder(s) shall not be entitled to vote at class meetings.

The meaning of "interested shareholder(s)" referred to in the preceding paragraph is:

(1) in the case of a repurchase of shares by offers to all shareholders in the same proportion or public dealing on a stock exchange in accordance with the provisions of Article 31 of this Article of Association, a controlling shareholder within the meaning of Article 297;

(2) in the case of a repurchase of shares by a contract outside a stock exchange in accordance with the provisions of Article 31 of this Article of Association, a holder of the shares to which such contract relates; and

(3) in the case of a restructuring of the Company, a shareholder within a class who bears less than a proportionate burden imposed on that class under the proposed restructuring or who has an interest in the proposed restructuring different from the interest of other shareholders of that class.

Article 135 Resolutions of a class meeting shall be passed by equities representing more than two-thirds of the voting rights of shareholders attending the class meeting and who are entitled to vote at the class meeting in accordance with Article 134.

Article 136 When the Company convenes a class meeting, written notice of the meeting shall be given by reference to Article 79 of the Articles of Association regarding the notice period requirement for convening an annual and extraordinary general meeting, notifying all of the shareholders of the relevant class in the share register of the matters to be considered, the date and the place of the class meeting.

The quorum for any separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of the Company's shares shall be the holders of at least one-third of the issued shares of the class concerned.

Article 137 Notices of class meetings only need to be served on shareholders entitled to vote thereat.

Except otherwise stipulated in the Articles of Association, the procedures of class meetings shall, to the extent possible, be identical to the procedures of general meetings. Provisions of the Articles of Association concerning the procedures for the holding of general meetings shall be applicable to class meetings.

Article 138 Without regard to other class shareholders, holders of domestic shares and overseas-listed foreign shares are deemed to be shareholders of different classes.

The special procedures for voting at a class of shareholders are not applicable in the following circumstances:

(1) where the Company issues, upon the approval by a special resolution of its shareholders in general meeting, either separately or concurrently once every 12 months, domestic shares or overseas-listed foreign shares and the domestic shares or overseas-listed shares to be issued does not exceed 20% of each of the outstanding shares of that class of shares;

(2) where the Company's plan to issue domestic shares and overseas-listed foreign shares at the time of its establishment is completed within 15 months from the date of approval of the securities regulatory authorities of the State Council or relevant authorities; or

(3) shares held by domestic shareholders share may be transferred to overseas investors, and such transferred shares may be listed and traded at overseas if approved by the securities regulatory authorities of the State Council.

Article 139 Subject to the approval of the securities regulatory authorities of the State Council, holders of domestic shares may transfer their shares to overseas investors, and such shares may be listed and traded at overseas. The listing and trading of the transferred shares on an overseas stock exchange shall also comply with the regulatory procedures, rules and requirements of such oversea stock exchange. The listing and trading of the transferred shares do not require for a class meeting for voting to be convened.

CHAPTER 8 BOARD OF DIRECTORS

Section I Directors

Article 140 Directors of the Company are natural persons, and the qualifications and obligations of directors shall be governed by Chapter 11 of the Articles of Association concerning the qualifications and obligations of directors, general managers and other senior management personnel.

Directors of the Company include executive directors, non-executive directors and independent non-executive directors. Executive directors refer to the directors who hold the management position in the Company. Non-executive directors refer to directors who do not hold management positions in the Company. Independent non-executive directors refer to directors who meet the requirements of Article 150 of the Articles of Association.

Article 141 Candidates for directors (except for independent non-executive directors and employee representative directors) shall be nominated by the board or shareholders holding more than 3% of the voting shares of the Company individually or in aggregate, shall be elected or replaced by the general meeting of shareholders, and may be removed by way of ordinary resolution at the general meeting of shareholders before the expiry of his/her term of office. Employee representatives on the board of directors shall be elected by the Company's employees through the employee congress, employee assembly or other democratic forms, and do not require consideration at the general meeting. The term of office of a director is three years, and he/she may be re-elected upon expiry of his/her term.

A written notice of the intention to nominate a person for election as director and a written notice showing such person is willing to be nominated shall be given to the Company after the issue of the notice of general meeting, and at least 7 days before the date of the general meeting. The nominator shall provide the biographical details and basic information of the candidate for directors for the shareholders.

The chairman and the vice chairman shall be appointed and removed through voting by more than half of the directors. The chairman and the vice chairman shall serve a term of 3 years and be eligible be for re-election.

Subject to the compliance with the relevant laws and administrative regulations and the securities regulatory rules of the place(s) where the shares of the Company are listed, directors (including executive directors, non-executive directors and independent non-executive directors) can be removed before the expiration of his/her term of office (but without prejudice to any claim for damages under any contracts) by an ordinary resolution passed at a general meeting.

The external directors and independent non-executive directors should have sufficient time and necessary knowledge and ability to perform their duties. When an external director performs his duties, the Company must provide necessary information. Independent non-executive directors may directly report to the general meeting, the securities regulatory authorities of the State Council and any other competent authorities.

The directors shall not be required to hold shares in the Company.

Article 142 The term of office of a director shall be calculated from the date of the passing of the resolution at the general meeting until the expiry of the term of office of the current session of the board. If the term of office of a director expires but re-election is not made in time, the existing director shall continue performing the duties as director in accordance with laws and the Articles of Association until the newly elected director assumes office.

Directors may be concurrently performed by the general manager or other senior management personnel, provided that the total number of directors concurrently holding the positions of general manager or other senior management personnel and employee representative directors shall not exceed one-half of the total number of directors of the Company.

Article 143 A director failing to attend the board meetings in person for two times in succession and fails to appoint another director to attend the board meeting, shall be deemed unable to perform his/her duties. The board shall put forward a proposal at the general meeting to replace such director.

Article 144 Directors may request to resign before their terms of office expire. The director who resigns shall submit a written resignation report to the board. The resignation shall become effective on the date of receipt of the resignation report by the Company, and the board shall, as soon as possible and in any event, disclose the relevant information within 2 days.

If the number of board members of the Company falls below the legal minimum requirement due to the resignation of the directors, or the number of independent non-executive directors falls below one-third of the board members due to the resignation of independent non-executive directors, or there is no accounting professional among the independent non-executive directors, the board shall convene an extraordinary general meeting within two months to elect directors to fill the vacancy caused by the resignation of directors. Before the re-elected director takes office, the resignation report of the director shall not take effect until a new director is re-elected to fill the vacancy arising from his/her resignation. The existing director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association.

Subject to the relevant laws, regulations and regulatory rules of the place(s) where the shares of the Company are listed, if the board appoints a director to fill a casual vacancy or as an addition to the board, the director so appointed shall hold office until the first annual general meeting after his/her appointment and shall then be eligible for re-election.

Article 145 The Company establishes a director resignation management system, clearly specifying assurance measures for holding directors accountable and seeking compensation for unfulfilled public commitments and other unresolved matters. Upon the resignation of a director becoming effective or at the expiry of his/her office, the director shall complete all handover formalities with the board of directors, but the fiduciary obligations owed to the Company and shareholders shall not necessarily terminate at the end of his/her term. His/her confidentiality obligations for the Company's business secrets survive upon the expiry of his/her term of office until such secrets become fall into public domain. The duration of directors' fiduciary obligations shall be decided in accordance with the principle of fairness, and will depend on the time lapses between the termination and the relevant event, as well as the circumstances and conditions under which their relationship with the Company is terminated. Responsibilities that directors should bear for performing duties during their tenure shall not be exempted or terminated due to resignation.

Article 146 The general meeting may resolve to dismiss a director, with the dismissal taking effect on the date the resolution is made.

If a director is dismissed before the expiration of his/her term without justifiable reasons, the director may demand compensation from the Company.

Article 147 No directors shall act, in their personal capacity, on behalf of the Company or the board of directors in contravention of provisions in the Articles of Association or without appropriate authorisation by the board of directors. A director shall, when acting in his/her personal capacity, state his/her standing and capacity in advance whenever a third party may reasonably believe that the said director is acting on behalf of the Company or the board.

Article 148 The Company shall sign a contract with the directors, specifying the rights and obligations between the Company and the directors, the term of office of the directors, the liabilities of the directors for violating laws and regulations and the Articles of Association, and the compensation for early termination of the contract for certain reasons.

Article 149 Members of the board shall have the necessary knowledge, skills and qualities to perform their duties. Directors shall abide by laws and regulations and the relevant provisions of the Articles of Association, faithfully, diligently and prudently perform their duties, and fulfill their commitments. If a director causes harm to others in performing duties of the Company, the Company shall be liable for compensation; if the director acts with intent or gross negligence, he/she shall also be liable for compensation. Any director who violates the laws or the Articles of Association in the course of performing his/her duties and causes loss to the Company shall be liable for compensation.

Section II Independent non-executive directors

Article 150 An independent non-executive director of the Company refers to a director who does not hold any position other than a director, a member or chairman of a special committee of the board of the Company, and who does not have any direct or indirect interest in or does not maintain any relationship with the Company and its substantial shareholders (i.e. shareholders who hold more than 5% of the total voting shares of the Company individually or in aggregate) and de factor controllers that may affect him/her in making independent and objective judgments. The qualifications of the independent non-executive directors shall comply with the requirements of the securities regulatory rules of the place(s) where the shares of the Company are listed and shall be subject to the approval of the relevant securities regulatory authorities.

The board of directors of the Company shall include at least one-third of independent non-executive directors and not less than three in number. The independent non-executive directors of the Company shall include at least one with appropriate professional qualifications or appropriate accounting or related financial management expertise, and at least one who ordinarily resides in Hong Kong.

Article 151 Independent non-executive directors shall diligently perform their duties in accordance with laws, administrative regulations and the requirements of the CSRC, the stock exchange(s) and the Articles of Association, play roles in decision-making, supervision, checks and balances, and professional consultation within the board of directors, safeguard the overall interests of the company and protect the legitimate rights and interests of minority shareholders.

Article 152 Independent non-executive directors must maintain independence. The following persons shall not serve as independent non-executive directors:

(1) employees of the Company or its affiliates, and their spouses, parents, children or major social relations;

(2) natural person shareholders directly or indirectly holding more than 1% of the Company's issued shares or among the top ten shareholders of the Company, and their spouses, parents or children;

(3) employees of shareholders directly or indirectly holding more than 5% of the Company's issued shares or of the top five shareholders of the Company, and their spouses, parents or children;

(4) employees of affiliates of the Company's controlling shareholders or actual controllers, and their spouses, parents or children;

(5) individuals with significant business dealings with the Company, its controlling shareholders, actual controllers or their respective affiliates, or employees of entities with such dealings, their controlling shareholders or actual controllers;

(6) individuals providing financial, legal, consulting, or sponsorship services to the Company, its controlling shareholders, actual controllers, or their respective affiliates, including but not limited to all members of the project team, reviewers at all levels, signatories to reports, partners, directors, senior management and key responsible persons of the intermediary institution providing services;

(7) individuals who have fallen under any of the circumstances listed in items (1) to (6) within the past 12 months;

(8) other persons deemed to lack independence under laws, administrative regulations, requirements of the CSRC, rules of the stock exchange(s) or the Articles of Association.

Affiliates of the Company's controlling shareholders or actual controllers mentioned in items (4) to (6) above do not include enterprises controlled by the same state-owned asset administration authority as the Company and not constituting related parties of the Company under relevant provisions.

Independent non-executive directors shall conduct an annual self-assessment of their independence and submit the results to the board. The board shall annually evaluate the independence of incumbent independent non-executive directors, issue special opinion and disclose the opinion with the annual report.

Article 153 Individuals serving as independent non-executive directors shall meet the following conditions:

(1) be qualified to serve as directors of a listed company under laws, administrative regulations and other relevant provisions;

(2) meet the independence requirements stipulated in the Articles of Association;

(3) possess basic knowledge of listed company operations and be familiar with relevant laws, regulations and rules;

(4) have at least five years of work experience in law, accounting, or economics necessary to perform the duties of an independent non-executive director;

(5) have good personal integrity and no significant record of dishonesty or misconduct;

(6) meet other conditions stipulated by laws, administrative regulations, requirements of the CSRC, rules of the stock exchange(s) and the Articles of Association.

Article 154 As members of the board, independent non-executive directors shall assume the fiduciary and diligent obligations to the Company and all shareholders, and shall prudently perform the following duties:

(1) participate in board decision-making and express clear opinions on matters under consideration;

(2) supervise potential significant conflicts of interest involving the Company, its controlling shareholders, actual controllers, directors or senior management personnel, and protect the legitimate rights and interests of minority shareholders;

(3) provide professional and objective advice on the Company's operations and development to enhance the quality of board decisions;

(4) other duties stipulated by laws, administrative regulations, requirements of the CSRC and the Articles of Association.

Article 155 Independent non-executive directors shall exercise the following special powers:

(1) independently engage intermediary institutions to audit, consult, or verify specific matters of the Company;

(2) propose to the board the convening of an extraordinary general meeting;

(3) propose the convening of a board meeting;

(4) publicly solicit shareholders' rights in accordance with the laws;

(5) express independent opinions on matters that may jeopardise the interests of the Company or minority shareholders;

(6) other powers stipulated by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

The exercise of the powers listed in items (1) to (3) above shall be subject to approval by more than half of all independent non-executive directors.

When independent non-executive directors exercise the powers listed in item (1), the Company shall make timely disclosure. If these powers cannot be exercised properly, the Company shall disclose the specific circumstances and reasons.

Article 156 The following matters shall be submitted to the board for consideration after approval by more than half of all independent non-executive directors:

(1) related-party transactions that require disclosure;

(2) proposals by the Company or related parties to amend or waive commitments;

(3) decisions and measures taken by the board of a listed company to be acquired regarding the acquisition;

(4) other matters as stipulated by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

Article 157 The Company shall establish a mechanism of special meetings attended solely by independent non-executive directors. Matters such as related-party transactions considered by the board shall be pre-approved at a special meeting of independent non-executive directors.

The Company shall hold regular or ad hoc special meetings of independent non-executive directors. Matters listed in items (1) to (3) of the first paragraph of Article 155 and Article 156 shall be considered at a special meeting of independent non-executive directors.

Special meetings of independent non-executive directors may, as needed, consider and discuss other matters of the Company.

Special meetings of independent non-executive directors shall be convened and presided over by an independent non-executive director jointly elected by more than half of the independent non-executive directors. If the convener fails or is unable to perform his or her duties, two or more independent non-executive directors may convene the meeting and elect a representative to preside over the meeting.

Minutes of the special meetings of independent non-executive directors shall be prepared in accordance with relevant regulations, and the opinions of independent non-executive directors shall be recorded therein. Independent non-executive directors shall sign the minutes for confirmation.

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

Section III Board of directors

Article 158 The Company shall establish a board, which is accountable to the general meeting.

The board shall compose of seven to thirteen directors, including one chairman, one vice chairman and one employee representative director. The chairman and vice chairman shall be elected by the board by more than half of all directors.

Article 159 The board is responsible to the general meeting and exercises the following powers:

(1) to be responsible for convening general meetings and to report on its works to the general meeting;

(2) to implement the resolutions of the general meetings;

(3) to decide on the Company's business plans, investment plans and annual financing plans;

(4) to approve the Company's proposed annual financial budgets and final budgetary reports;

(5) to draw up the Company's profit distribution plan and plan for making up losses;

(6) to draw up proposals for increases or reductions of the Company's registered capital and the issue of debentures or other securities and listing plan;

(7) to draw up plans for the material acquisitions, repurchase of its shares or merger, split, reorganisation and dissolution of the Company and change of company type;

(8) to decide on appointment or removal of the Company's general manager, secretary to the board and other senior management, and to determine the matters relating to their remuneration, incentives and punishments; to decide on appointment or removal of deputy general manager, financial controller and other senior management personnel of the Company based on the nominations by the general manager, and to determine the matters relating to their remuneration, incentives and punishments;

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

(10) to decide on the establishment of the special committees of the board and consider and approve the proposals put forward by the special committees of the board;

(11) to draw up the Company's basic management system;

(12) to draw up proposals for any modifications to the Articles of Association, the Rules of Procedures for the General Meetings and the Rules of Procedures for the Board of Directors;

(13) within the scope as authorised by the general meeting, to decide on matters relating to investment, financing and borrowing and to decide on the investment, acquisition and disposal of assets, asset pledge, external guarantee, entrusted wealth management, entrusted loans, related party transactions, external donation and other matters; as well as to organise the general manager to exercise its right under certain circumstances pursuant to this provision;

(14) to propose to the general meeting to engage, dismiss or not to reappoint the auditors of the Company;

(15) to listen to the work report of the Company's general manager and inspect the work of the general manager and other senior management personnel;

(16) to formulate the Company's equity incentive plan;

(17) to manage information disclosure of the Company;

(18) to decide on other major affairs and administrative matters of the Company subject to the compliance with the relevant laws, regulations and the requirements of the Articles of Association, save for matters to be resolved at general meetings as required by relevant laws, regulations, and the Articles of Association;

(19) other powers and functions conferred by the Articles of Association, the securities regulatory rules of the place(s) where the shares of the Company are listed or the general meetings.

The guarantee-related matters within the scope of authority of the board shall be approved by more than half of all directors and two-thirds of the directors present at the board meeting; the resolutions of the board in respect of all other matters may be passed by more than half of the directors.

Where the above matters within the powers of the board of directors or any transaction or arrangement of the Company are subject to consideration by the general meeting or go beyond the scope as authorised by the general meeting according to the securities regulatory rules of the place(s) where the Company's shares are listed, such matters shall be submitted to the general meeting for consideration. The board shall act in strict accordance with the authorisation of the general meeting and the Articles of Association and shall not reach resolutions that go beyond such scope of authorisation.

Under necessary, reasonable and legal circumstances, the board shall authorise the chairman of the board and his/her authorised persons to decide on specific matters in relation to the matters to be resolved which cannot or are not necessary to be decided at the board meeting.

With the authorisation of the board, the chairman of the board may exercise certain powers of the board when the board meeting is not in session. The scope authorised by the board shall be clear and specific.

The board shall take into account the advice of the Party organisation before making any major decision in relation to the directions of reform and development, major goals and tasks and key work arrangements for the Company. When the board appoints any management personnel of the Company, the Party organisation shall be entitled to consider and provide advice on the candidates proposed by the board or the general manager, or recommend to the board or the general manager of any candidate.

Article 160 The board shall not, without the prior approval of shareholders in a general meeting, dispose of or agree to dispose of, any fixed assets of the Company if the expected value of the consideration for the proposed disposition and the value of the consideration for the disposals of fixed assets of the Company that has been completed in the period of four months preceding the proposed disposal exceeds 33% of the value of the fixed assets as shown in the last balance sheet presented to the general meeting.

For the purpose of this Article, disposal of fixed assets includes an act involving the transfer of an interest in assets but does not include the provision of fixed assets by way of security.

The validity of a disposal by the Company shall not be affected by the breach of the first paragraph of this Article.

Article 161 The board shall explain to the general meeting any non-standard audit opinions issued by the certified public accountants on the Company's financial reports.

Article 162 The board shall formulate the Rules of Procedures for the Board of Directors to ensure that the board will implement the resolutions of the general meeting, improve work efficiency and guarantee scientific decision-making process. The Rules of Procedures for the Board of Directors are attached to the Articles of Association as an appendix, which are drafted by the board and approved at the general meeting.

Article 163 The board has the right to decide on the following matters of the Company (including its subsidiaries):

(1) acquisition and disposal of assets and asset pledge accounting for less than 30% of the Company's latest audited total assets;

(2) venture capitals (including but not limited to debentures, futures, stocks and entrusted wealth management), entrusted loan, external investment, external donation and other transactions accounting for less than 30% of the Company's latest audited total assets;

(3) matters such as lease, rent, entrusted operation, agency operation or joint operation of property accounting for less than 30% of the Company's latest audited total assets;

(4) related party transactions accounting for less than 1% of the Company's latest audited total assets and market value or less than RMB30,000,000 in amount (save for provision of guarantee and acceptance of donated cash assets) and related party transactions subject to consideration by the board of directors according to the securities regulatory rules of the place(s) where the shares of the Company are listed. For related party transactions that may be exempted from or waived for consideration and disclosure in the form of related party transactions according to relevant provisions of laws, regulations, departmental rules and the securities regulatory rules of the place(s) where the Company's shares are listed, the Company may be exempted from or apply for waiver for consideration and disclosure in the form of related party transactions according to relevant provisions;

(5) to determine the Company's external guarantees beyond the scope of consideration by the general meeting as stipulated in the Articles of Association;

(6) to consider other matters to be determined by the board as required by laws, regulations, departmental rules, securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association.

The board shall authorise the general manager to exercise the following powers within the above scope of authorisation:

(1) to decide on acquisition, disposal and pledge of assets with a single amount accounting for less than 5% of the Company's latest audited net assets;

(2) to decide on matters such as external investment, venture capitals (including but not limited to debentures, futures, stocks and entrusted wealth management), entrusted loans, external donation, etc. with a single amount accounting for less than 5% of the Company's latest audited net assets;

(3) to decide on matters such as property lease, rent, entrusted operation, agency operation or joint operation with a single amount accounting for less than 5% of the Company's latest audited net assets;

(4) to decide on transactions with related natural persons with an amount less than RMB300,000 (save for provision of guarantees); transactions with related legal persons with an amount accounting for less than 0.1% of the Company's latest audited total assets and market value or less than RMB3,000,000 (save for provision of guarantees) and related party transactions that may be determined by the general manager of the Company according to the securities regulatory rules of the place(s) where the Company's shares are listed, the Company's Management Policy for Related Party Transactions and its detailed management rules;

(5) other functions and powers stipulated in the laws, regulations, normative documents, securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association and granted by the board of directors.

Article 164 The term of authorisation to the board of directors by the general meeting shall be limited to the term of office of the board of directors of that session. After the board of directors is re-elected, the general meeting shall pass a new resolution on the scope of authorisation to the new session of the board of directors. The original authorisation shall remain valid until the general meeting has passed a new resolution on the scope of authorisation.

Article 165 The board shall carry out its duties in compliance with the laws, administrative regulations, the Articles of Association and resolutions passed by the shareholders at general meeting, and shall not delegate the statutory powers of the board to the chairman of the board, general manager or others.

Article 166 The chairman shall exercise the following duties and powers:

(1) to preside at the general meetings, and to convene, preside the meetings of the board;

(2) to urge, supervise and check the implementations of the board resolutions;

(3) to urge, supervise and check the work of special committees;

(4) to listen to the regular or irregular work reports of the Company's general manager and other senior management personnel, and to provide guidance on the implementation of the resolutions of the board of directors;

(5) in case of force majeure, major crisis or material impact on production and operation, and in case of an emergency where a board meeting cannot be held in time, exercise the special rights to deal with the Company's affairs in accordance with the law and in the interest of the Company, and report to the board of directors or the general meeting afterwards;

(6) to nominate the secretary to the board of directors of the Company;

(7) to sign the shares, corporate bonds and other marketable securities of the Company;

(8) to sign important documents of the board of directors and sign important legally binding documents on behalf of the Company;

(9) to organise the formulation of various rules and regulations for the operation of the board of directors and coordinate the work of the board of directors;

(10) to approve the plan for the use of the working funds of the board of directors of the Company;

(11) to exercise other functions and powers that shall be exercised by the chairman and granted by the board of directors in accordance with the relevant laws, administrative regulations and rules;

(12) other powers and duties stipulated by laws and regulations, securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association and given by the board.

The vice chairman shall assist the chairman in performing his/her duties. Where the chairman is unable to or fails to perform his/her duties, the vice chairman may perform such duties on behalf of the chairman. Where the vice chairman is unable to or fails to perform his duties, a majority of the directors may jointly elect a director to perform his/her duties.

Article 167 Board meetings comprise regular board meetings and extraordinary meetings. Regular meetings of the board shall be held at least four times every year and convened by the chairman of the board. Notice of the meetings shall be sent to all of the directors 14 days in advance of such meeting.

Under any of the following circumstances, the chairman of the board shall convene and preside over an extraordinary board meeting within 10 days after receiving the proposal of the meeting:

(1) upon the proposal by shareholders representing more than one-tenth of the voting rights individually or in aggregate;

(2) upon the proposal of more than half of the independent non-executive directors;

(3) upon the joint proposal of more than one-third of the directors or by general manager of the Company;

(4) upon the proposal of audit committee;

(5) upon the proposal of three directors in case of urgency;

(6) when the chairman deems necessary;

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

Meetings of the board of directors may be convened on-site, through circulation of written proposals, teleconference, videoconference, facsimile, e-mail or similar communication channels, and may also be held on site in parallel with other methods.

Article 168

Written notice of the regular or extraordinary meeting of the board of directors shall be served to all the directors by hand, e-mail, facsimile and through other means as permitted under the securities regulatory rules of the place(s) where shares of the Company are listed 14 days and 3 days prior to the regular meeting and extraordinary meeting, respectively. Where the notice is not served by direct delivery, telephone acknowledgement and relevant records shall be made. In case of emergency that requires an extraordinary meeting to be convened as soon as possible, an extraordinary board meeting may be convened at any time with the consent of all the participating directors and an explanation of the emergency by the convenor.

(1) if there is a need to change matters such as the time and venue or add, change and cancel the proposals of a regular board meeting after despatching the written notice of the meeting, a written notice of the change shall be despatched three days before the original date of the meeting to explain the situation and content of the new proposals with relevant materials. If the written notice is despatched less than three days before the original date of the meeting, the meeting shall be postponed accordingly, or held as scheduled after obtaining the consent of all directors attending the meeting.

(2) if there is a need to change matters such as the time and venue or add, change and cancel the proposals of an extraordinary board meeting after despatching the notice of the meeting, prior consent of all directors attending the meeting shall be obtained and relevant records shall be well documented.

(3) the notice shall be in Chinese and, if necessary, an English version of the same shall be enclosed thereto and the notice shall include agenda of the meeting. Any director may waive the right to receive notice of the board meeting in writing.

(4) the meeting notice shall be deemed to have been delivered to such director if he/she presents at the meeting and does not raise the issue of the non-receipt of such notice prior to, or at, his/her arrival at the meeting.

Article 169 The notice of the board meeting shall contain the following:

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

(2) the convening method of the meeting;

(3) matters proposed to be considered (proposals of the meeting);

(4) convener and chairman of the meeting, proposer of the extraordinary meeting and his/her written proposal;

(5) meeting materials necessary for the directors to vote, including the relevant background materials of the meeting topics and information and data helpful for the directors to understand the Company's business progress;

(6) the requirement that directors should attend the meeting in person or may appoint other directors to attend the meeting on their behalf;

(7) contact person and contact information;

(8) the issue date of the notice;

(9) other contents stipulated by laws and regulations and the securities regulatory rules of the place(s) where the Company's shares are listed.

The oral notice of a meeting shall at least include items (1) and (2) above, as well as an explanation for the urgency to convene an extraordinary board meeting as soon as possible.

Article 170 All directors must be notified of any material matters to be decided by the board in accordance with the requirements of the preceding article and sufficient information shall be given at the same time and be proceeded strictly in accordance with the prescribed procedures.

When more than one-fourth (1/4) of directors or more than two (2) external directors or independent non-executive directors consider that the information of the matters to be resolved are not sufficient or the grounds are not explicit, they may jointly propose to postpone the meeting or delay the discussion of certain matters to be considered in the board meeting, and the board shall adopt the relevant proposal.

In the event that any director is interested in the matters to be considered by the board, a board meeting shall be convened, provided that the meeting procedures set out in Article 172 of the Articles of Association shall not apply. The interested director(s) shall not be counted towards the quorum of such board meeting, and he/she shall abstain from the discussion or voting at the meeting, and shall not vote on behalf of other directors.

Article 171 Where the meetings of the board are held by conference call or other similar communication equipment, for so long as the attending directors are able to hear clearly other directors' speech at the meeting and to communicate among themselves, all attending directors shall be considered as being present at the meetings in person.

Article 172 Unless otherwise provided in this Articles of Association and the listing rules of the stock exchange(s) on which the shares of the Company are listed, the board may accept written resolutions in lieu of convening meetings of the board and no board meeting shall be required to be convened, provided that the draft of such resolutions shall be delivered to each director through personal delivery, mail, telegraph or facsimile. Such resolution will be passed as a resolution of the board, if it has been delivered to all directors by the board, signed and approved by the required quorum of the directors and delivered to the secretary to the board by one of the aforesaid means.

Article 173 Written resolutions signed by each director respectively shall be valid and effective as if they had been passed at a board meeting duly convened. Such written resolutions may consist of several counterparts each signed by one or more directors. A resolution signed by a director or a resolution bearing the name of a director and transmitted to the Company by telegram, telex, post, facsimile or personal delivery shall be deemed to be a document signed by him/her for the purposes of this Article.

Article 174 Board meetings shall be held only if more than half of the directors are present.

Each director shall have one vote. The board resolution must be passed by more than half of all directors. Where the laws and regulations or the Articles of Association stipulate that the board of directors shall obtain the consent of more directors in reaching a resolution, such provisions shall prevail.

The voting methods on board resolutions are: registered ballot or other voting methods permitted by the relevant laws, administrative regulations and the securities regulatory authorities of the place(s) where the Company's shares are listed. Where the numbers of votes cast for and against a resolution are equal, the chairman shall have a casting vote.

Article 175 A board meeting shall be attended by the directors in person. If a director is unable to attend, he/she may appoint in writing another director to attend on his/her behalf. The authorization letter shall specify the name of proxy and the matters, scope and validity period of the authorization, and shall be signed or sealed by the appointor.

The appointed director who attends the meeting shall exercise such director's right within the scope of authorization. If a director is unable to attend the board meeting in person and has not appointed a representative to attend the meeting, he/she shall be deemed to have abstained from voting at such meeting.

Article 176 Where a director has any related party relationship with or is materially interested in the enterprise or individual involved in the resolution of the board, he/she shall report to the board in writing in a timely manner. Such related director shall not exercise the voting rights on the resolution concerned, nor shall he/she exercise the voting rights on behalf of other directors. The board meeting can be held only when attended by more than half of the directors with no related party relationship or material interests, and the resolutions submitted at the board meeting must be approved by more than half of the directors with no related party relationship or material interests. If there are less than 3 directors with no related party relationship or material interests attending the board meeting, the matter concerned shall be submitted to the general meeting for consideration.

Article 177 The board shall prepare the minutes to record the decisions made concerning the matters considered at the board meetings, which shall be signed by the attending directors, the secretary to the board of directors and the recorder.

The opinions expressed by independent directors at the board meeting, in particular his opinions contrary to the opinions of other directors concerning the matters considered at the meetings, shall be specified in the minutes of such board meeting.

Any director has the right to check the documents and information relating to the board meeting. Doubts raised by any director shall be addressed as soon and comprehensive as possible. The minutes of the board meeting shall be available for inspection at any time during the office hours upon giving a reasonable notice by any director.

The directors shall be responsible for the resolutions passed at the board meetings. Any director who votes for a board resolution which contravenes the laws, administrative regulations, this Articles of Association or the resolutions passed at general meetings and which result in the Company suffering from material losses, shall be directly responsible (including the liabilities of indemnities). A director who votes against such resolution, and has been proved as having expressed dissenting opinions on such resolution and such opinions are recorded in the minutes of the meeting can be exempted from liability. A director who has waived his right of voting, or who has failed to attend the meeting and fails to vote against such resolution explicitly, shall not be exempted from liability. A director who explicitly expresses his objection in the course of discussion, but has not voted against such resolution explicitly, shall not be exempted from the liability.

Article 178 The minutes of the board meeting shall be kept as company files for a period of not less than 10 years.

The minutes of the board meeting shall include the following:

(1) the session, date, time, venue and method of convening of the meeting;

(2) the issuance of the notice of the meeting;

(3) the name of convener and the name of chairman of the meeting;

(4) the names of the directors attending the meeting and the names of the proxies entrusted to attend the meeting and their principals;

(5) the agenda of the meeting;

(6) proposals considered at the meeting, gist of speeches and major opinions of directors;

(7) the voting method and results of each resolution (the voting results shall indicate the number of votes for, against or abstention from voting);

(8) other matters that the directors attending the meeting consider should be recorded.

Section IV Special committees of the board

Article 179 The Company's board of directors shall establish an audit committee, which exercises the powers of the supervisory committee as stipulated in the Company Law.

Article 180 The audit committee shall consist of three or more members, who are directors not serving as senior management of the Company. The majority shall be independent non-executive directors, and the convener shall be an independent non-executive director with accounting expertise.

Article 181 The audit committee is responsible for auditing the Company's financial information and relevant disclosure, monitoring and evaluating internal and external audits and internal controls. The following matters shall be submitted to the board for consideration after approval by more than half of all members of the audit committee:

(1) disclosure of financial information in the financial accounting reports and regular reports, and internal control assessment reports;

(2) appointment or dismissal of the accounting firm responsible for the audit of the listed company;

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

(4) changes in accounting policies, accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;

(5) other matters as stipulated by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

Article 182 The audit committee shall convene at least one meeting per quarter. An extraordinary meeting may be convened upon the proposal of two or more members or when deemed necessary by the convener. Audit committee meetings require the attendance of at least two-thirds of the members to be valid.

Resolutions of the audit committee shall be passed by more than half of its members.

Voting on audit committee resolutions shall be on a one-person-one-vote basis.

Resolutions of the audit committee shall be documented in meeting minutes, which shall be signed by the attending members of the audit committee.

The terms of reference of the audit committee shall be formulated by the board of directors.

Article 183 The board of directors shall establish the strategy and ESG committee, the nomination committee, the remuneration committee, the risk control committee and the science and technology innovation committee, which shall perform their duties in accordance with the Articles of Association and the board's authorisation. Proposals from these special committees shall be submitted to the board for consideration and decision. The terms of reference of these special committees shall be formulated by the board.

Article 184 The strategy and ESG committee shall consist of three or more directors, including at least one independent non-executive director, and shall be convened by the chairman of the board.

Article 185 The primary responsibilities of the strategy and ESG committee are:

(1) responsible for studying the domestic and international economic development situation, industry development trend, national and industry policy development direction, and providing the board of directors with research reports on national policies and industry development.;

(2) responsible for studying the Company's long-term sustainable development strategy and business philosophy, reviewing climate risks and opportunities, and providing recommendations to the board of directors in formulating the Company's development objectives and development policies;

(3) responsible for reviewing major investment and financing plans and providing recommendations to the board of directors for deciding whether to implement the plans;

(4) responsible for reviewing major capital operation projects and providing recommendations to the board of directors for deciding whether to implement the plans;

(5) to examine and supervise the implementation of the above major projects;

(6) to conduct research and make recommendations on policies related to the Company's sustainable development, ESG management and climate risks and opportunities;

(7) to consider, assess and supervise the Company's major sustainable development and ESG matters and climate risks and opportunities, including planning objectives, policy formulation, implementation management, risk assessment, performance, information disclosure and other matters, and report to the board of directors;

(8) other matters as stipulated by applicable laws, regulations, the Articles of Association, listing rules of the listing places, and as authorised by the board of directors.

Article 186 The nomination committee shall consist of three or more directors, with the majority being independent non-executive directors, including at least one member of a different gender. The convener shall be an independent non-executive director.

Article 187 The nomination committee is responsible for formulating selection criteria and procedures for directors and senior management, screening and reviewing the qualifications of candidates for directors and senior management, and making recommendations to the board on the following matters:

(1) nomination, appointment or removal of directors;

(2) appointment or dismissal of senior management;

(3) other matters as stipulated by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

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

Article 188 The remuneration committee shall consist of three or more directors, with the majority being independent non-executive directors. The convener shall be an independent non-executive director.

Article 189 The remuneration committee is responsible for formulating and assessing performance evaluation standards for directors and senior management, developing and reviewing remuneration decision mechanisms, decision-making processes, payment and clawback arrangements, and other remuneration policies and plans of directors and senior management, and making recommendations to the board on the following matters:

(1) remuneration of directors and senior management;

(2) formulation or amendment of equity incentive plans, employee stock ownership plans, and the fulfillment of conditions for granting rights to or exercising rights by incentive recipients;

(3) stock ownership plans for directors and senior management in subsidiaries planned for spin-off;

(4) other matters as stipulated by laws, administrative regulations, the requirements of the CSRC and the Articles of Association.

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

Article 190 The risk control committee shall consist of three or more directors, including at least one independent non-executive director.

Article 191 The primary responsibilities and powers of the risk control committee are:

(1) to formulate, review and amend the risk strategies of the Company in accordance with the overall strategies of the Company; at the same time, to assess the impact of the Company's strategic objectives and business plans on the risk profile and make recommendations to the board of directors;

(2) to examine and regularly review the risk strategies and risk management policies to ensure that they are in compliance with the laws and regulations and are effective;

(3) to examine and review the Company's risk management and control systems, discuss with management in this regard, ensure that management has fulfilled its responsibility to establish effective systems, and make recommendations for improvement where necessary;

(4) to supervise the implementation of the Company's rules and regulations and the Company's major business decisions and assess the Company's major issues from the perspective of risk control;

(5) to have the authority to require the management to establish appropriate internal control systems;

(6) to supervise the implementation of the risk management system, supervise and assess the organizational approach, work procedures and effectiveness of the risk management department, and make recommendations for improvement;

(7) responsible for supervising and assessing the risk control of senior management;

(8) to assess and advise on the risks of major decisions requiring consideration by the board of directors and proposals for resolving major risks;

(9) to conduct research, on its own initiative or as delegated by the board of directors, on significant findings on risk management and internal control matters and management's response to the findings;

(10) to review the Company's risk reports, regularly assess the Company's risk profile and the compliance and reasonableness of decision-making, and make recommendations for improvement;

(11) to establish and examine the fraud risk prevention mechanism to prevent, identify and control fraud risks;

(12) to ensure and assist the Company to make disclosure on the review and compliance of the relevant risk management and internal control systems in the Corporate Governance Report of the annual report every year;

(13) other matters as stipulated by applicable laws, regulations, the Articles of Association, listing rules of the listing places, and as authorised by the board of directors.

Article 192 The science and technology innovation committee shall consist of three or more directors, including at least one independent director.

Article 193 The primary responsibilities of the science and technology innovation committee are:

(1) to study and make recommendations to the board of directors on the mid- and long-term strategic planning for technological development of the Company;

(2) to study and make recommendations to the board of directors on the annual scientific research plan of the Company;

(3) to study and make recommendations to the board of directors on the major technological innovation projects of the Company;

(4) to study and make recommendations on the construction plan of innovation system of the Company;

(5) to supervise and assess the implementation of the above matters and report to the board of directors;

(6) other duties as required by the board of directors.

CHAPTER 9 SECRETARY TO THE BOARD OF DIRECTORS

Article 194 The Company shall have a secretary to the board, who is a member of the senior management of the Company.

Article 195 The secretary to the board shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board. His/her primary responsibilities include:

(1) to prepare general meetings and board meetings of the Company, maintain documents and manage shareholder information;

(2) to ensure that the Company has complete organisational documents and records;

(3) to ensure the Company prepares and submits the reports and documents required by the relevant authorities according to the law;

(4) to ensure that the register of shareholders are properly established, and to ensure that the persons who have the right to obtain the Company's relevant records and documents can obtain these records and documents in a timely manner;

(5) to handle the information disclosure of the Company;

(6) perform other powers and duties as required by the laws, administrative regulations and the Articles of Association.

Article 196 Directors or other senior management members of the Company may concurrently act as the secretary to the board. An accountant of the accounting firm engaged by the Company shall not act as the secretary to the board.

In the event that a director acts as the secretary to the board and a certain act has to be performed separately by a director and the secretary to the board, such person who is both a director and the secretary to the board shall not perform such act in dual capacities.

CHAPTER 10 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT PERSONNEL

Article 197 The Company shall have one general manager, who shall be appointed or removed by the board.

The Company shall have a certain number of other senior management personnel as needed, who shall be appointed or removed at the nomination of general manager. Other senior management personnel shall assist and be accountable to the general manager.

The Company shall enter into service contracts with senior management personnel to clarify the rights and obligations of both parties. The appointment and dismissal of senior management personnel shall follow legal procedures and be disclosed in a timely manner.

An appointed director may concurrently serve as the Company's general manager or other senior management personnel.

Article 198 Except as exempted from the CSRC, senior management personnel of the Company shall not hold other administrative positions other than directors and supervisors in controlling shareholder and actual controller of the Company.

The senior management personnel of the Company shall receive remuneration only from the Company which shall not be paid by the controlling shareholder.

Article 199 The general manager shall be accountable to the board and exercise or perform the following powers and duties:

(1) to be in charge of the Company's production, operation and management and to organise the implementation of the resolutions of the board and report his/her work to the board;

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

(3) to draw up the Company's proposed annual financial budgets and final budgetary reports;

(4) to draft plans for the establishment of the Company's internal management structure;

(5) to draft the Company's basic management system;

(6) to formulate the basic rules and regulations for the Company;

(7) to propose the appointment or removal of other senior management personnel;

(8) to appoint or remove management personnel other than those required to be appointed or removed by the board;

(9) to determine the wages, benefits, incentives and punishments of the employees, the appointment and removal, promotion and demotion, salary increment and decrement, appointment, employment, removal or resignation of the employees;

(10) to propose the convening of the extraordinary meeting of the board; and

(11) other powers and duties conferred by the laws, regulations, regulatory documents and the securities regulatory rules of the place(s) where the shares of the Company are listed and the Articles of Association or the board.

Article 200 The general manager and other senior management personnel shall be present at the meetings of the board. However, none of the general manager and other senior management personnel has voting rights at the meetings unless he is also a director.

Article 201 The general manager shall formulate the Detailed Working Rules for the General Manager and implement the same after submitting to the board for approval.

The Detailed Working Rules for the General Manager shall include the following:

(1) the conditions of and procedures for the convening of general manager's office meeting and the participants;

(2) the duties and respective responsibilities of general manager and other senior management personnel;

(3) the Company's financing, asset allocation, asset management, authority to enter into major contracts, and reporting system to the board;

(4) other matters deemed necessary by the board.

Article 202 The term of office of the general manager shall be three years. The general manager may be re-elected. The general manager may resign before the expiry of his/her term of office. The specific procedures and methods for the resignation of the general manager shall be stipulated in the labor contract between the general manager and the Company.

Article 203 The general manager and other senior management personnel, in performing their duties and powers, shall not amend the resolutions passed at general meetings or board meetings or act beyond their scope of powers and duties.

Article 204 If a senior management personnel causes harm to others in performing duties of the Company, the Company shall be liable for compensation; if the senior management personnel acts with intent or gross negligence, he/she shall also be liable for compensation.

Senior management member of the Company who violates any laws, administrative regulations, departmental rules or the Articles of Association during the course of performing his/her duties and causes losses to the Company shall be liable for making compensation for any loss caused to the Company.

Article 205 Senior management personnel of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. Senior management personnel of the Company shall be liable for compensation in accordance with relevant laws if they fail to faithfully perform their duties or breach their fiduciary duty and cause damage to the interests of the Company and the shareholders of public shares.

Article 206 The provisions of the Articles of Association relating to the management system for departure of directors shall also apply to senior management.

CHAPTER 11 QUALIFICATIONS FOR AND OBLIGATIONS OF DIRECTORS, GENERAL MANAGER, DEPUTY GENERAL MANAGERS AND OTHER SENIOR MANAGEMENT MEMBERS

Article 207 A person may not serve as a director, general manager, deputy general manager or any other senior management members of the Company if he/she is:

(1) a person without legal or with restricted civil capacity;

(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offense; or who has been deprived of his political rights, in each case where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation or less than 2 years have elapsed since the date of the completion of probationary period if such person is on probation;

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

(4) a person who is a former legal representative of a company or enterprise which had its business license revoked due to a violation of the law and who incurred personal liability, where less than three years have elapsed since the date of the revocation of the business license and order for closure;

(5) a person who has a relatively large amount of debts due and outstanding and is designated by the people's court as a dishonest person subject to enforcement;

(6) a person who has been prohibited from entering the securities market/ subject to penalty imposed by the CSRC or the Hong Kong Securities and Futures Commission and such prohibitions period has not elapsed;

(7) a person who has been publicly deemed by a stock exchange as unsuitable to serve as a director or senior management member of a listed company, and the relevant period has not elapsed; or

(8) other matters stipulated by laws, administrative regulations or departmental rules.

For any election, appointment or engagement of a director, general manager, deputy general manager or other senior management personnel in contravention of the provisions prescribed by this article, such election, appointment or engagement shall be void and null. If a director, general manager, deputy general manager or other senior management personnel is involved in any of the circumstances in this article during his or her term of office, the Company shall remove him or her from his or her position and stop him or her from performing duties.

Article 208 Directors and senior management shall have a fiduciary obligation to the Company, take measures to avoid any conflict of interest with the Company and not utilize their positions to seek undue benefits.

Directors and senior management shall have an obligation of diligence to the Company and shall exercise the reasonable care normally expected of a manager in the best interests of the Company in the performance of their duties.

If the controlling shareholders or de facto controllers of the Company do not serve as directors of the Company but actually manage the affairs of the Company, the provisions of the preceding two paragraphs shall apply.

Article 209 The validity of an act of a director, general manager, deputy general managers or senior management members on behalf of the Company is not, vis-a-vis a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.

Article 210 In addition to his obligations under the laws, administrative regulations or required by the stock exchange(s) on which the shares of the Company are listed, each of the Company's directors, general manager, deputy general managers and other senior management members of the Company owes the following obligations to each shareholder, in the exercise or performance of the powers and duties entrusted to him by the Company:

(1) not to cause the Company to exceed the scope of the business stipulated in its business license;

(2) to act honestly in the best interests of the Company;

(3) not to expropriate in any manner the Company's property, including (without limitation) usurpation of opportunities beneficial to the Company; and

(4) not to expropriate the individual rights of shareholders, including (without limitation) rights to distribution and voting rights, save pursuant to a restructuring of the Company submitted to shareholders for approval in accordance with the Articles of Association.

Article 211 Each of the Company's directors, general manager, deputy general managers and other management members owes a duty, in the exercise of his/her powers and discharge of his/her duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. This principle shall include (but not be limited to) fulfillment of the following obligations:

(1) to exercise the rights conferred by the Company with due discretion, care and diligence, in order to ensure that the business operations of the Company are in compliance with the laws, administrative regulations and requirements of each of the economic policies of the PRC, and does not go beyond the business scope specified in the Company's business license;

(2) to ensure sufficient time and dedication to the affairs of the Company and make prudent judgments on the risks and benefits of the matters to be considered;

(3) to treat all shareholders equally;

(4) to keep informed of the business, operation and management position of the Company on a timely basis;

(5) to ensure the truthfulness, accuracy and completeness of the information disclosed by the Company within their duties;

(6) to truthfully provide the audit committee with relevant information, and not to interfere with the audit committee or members of the audit committee in performing their duties and powers;

(7) to actively promote the standardised operation of the Company, urge the Company to fulfill its obligation of information disclosure, promptly rectify and report non-compliance of the Company, and support the Company to fulfill its social responsibilities;

(8) other diligence obligations stipulated in laws, administrative regulations, departmental rules, exchange rules and the Articles of Association.

Article 212 The Company's directors, general managers, deputy general managers and other senior management members shall carry out their duties in accordance with the fiduciary principle and shall not put himself/herself in a position where his/her duty and his interest may conflict. This principle includes (without limitation) the discharging of the following obligations:

(1) to act honestly in the best interests of the Company;

(2) to exercise powers within the scope of his powers and duties and not exceeding those powers and duties;

(3) to exercise the discretionary power vested in him/her personally and not to allow himself to act under the control of others and, unless and to the extent permitted by laws, administrative regulations or with the informed consent of shareholders given in general meeting, not to delegate the exercise of his/her discretionary power;

(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;

(5) except in accordance with the Articles of Association or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;

(6) without the informed consent of shareholders given in general meeting, not to use the Company's property by any means for his own benefit;

(7) not to exploit his/her position to accept bribes or other illegal income or expropriate the Company's property by any means, including (without limitation) opportunities beneficial to the Company;

(8) not to accept commissions for their own benefits from transactions between others and the Company;

(9) to abide by the Articles of Association, faithfully execute his/her powers and duties and protect the Company's interests, and not to exploit his/her position and power in the Company to advance his/her own personal interest;

(10) not to compete with the Company in any form unless with the informed consent of shareholders given in general meeting;

(11) not to embezzle the Company's property, misappropriate the Company's funds or lend such funds to others, not to open accounts in his/her own name or other names for the deposit of the Company's funds and not to provide a guarantee for debts of any shareholder of the Company or other individual(s) with the Company's assets;

(12) not to use his/her related party relationship to prejudice the interests of the Company;

(13) unless with the informed consent of shareholders given in general meeting, to keep in confidence information in respect of the Company acquired by him/her in the course of and during his/her tenure and not to use such information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental competent authorities is permitted if:

(i) pursuant to the law;

(ii) the interests of the public require disclosure;

(iii) the interests of such directors, general managers, deputy general managers or other senior management members so require.

Any gain obtained by the directors, general manager, deputy general manager or other senior management personnel from the breach of this article and Articles 181 to 184 of the Company Law shall belong to the Company. Directors, general manager, deputy general manager or other senior management personnel in connection with such violation shall be liable to compensate for any loss suffered by the Company.

Article 213 Directors, general managers, deputy general managers or other senior management members of the Company shall not cause the following persons or institutions ("**associates**") to do what they cannot engage in:

(1) the spouse or under-aged child (children) of directors, general managers, deputy general managers and other senior management members of the Company;

(2) a person acting in the capacity of trustee of directors, general managers, deputy general managers and other senior management members of the Company or any person referred to in sub-paragraph (1) of this article;

(3) a person acting in the capacity of partner of directors, general managers, deputy general managers and other senior management members of the Company or any person referred to in sub-paragraphs (1) and (2) of this article;

(4) a company in which directors, general managers, deputy general managers or other senior management members, alone or jointly with one or more persons referred to in sub-paragraphs (1), (2) and (3) of this article and other directors, general managers, deputy general managers or other senior management members have a de facto controlling interest;

(5) the directors, general managers, deputy general managers and other senior management members of the controlled company referred to in sub-paragraph (4) of this article.

Article 214 The fiduciary duties of the directors, general manager, deputy general managers and other senior management members 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 lapsed between the termination and the occurrence of the event concerned and the circumstances and conditions under which the relationships between them and the Company terminated.

Article 215 Directors, general manager, deputy general managers and other senior management members of the Company may be relieved of liability for specific breaches of his/her duties by the consent of informed shareholders at a general meeting, provided that they do not jeopardise the interests of all or some shareholders.

Article 216 Where directors, general manager, deputy general managers or other senior management members of the Company are 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 an employment contract of directors, general manager, deputy general managers and any other senior management members with the Company), they shall report to the board or the general meeting and declare the nature and extent of their interests at the earliest opportunity, and shall be subject to the approval by way of resolution of the board or the general meeting in accordance with the Articles of Association, whether or not the contract, transaction or arrangement or proposal therefor is otherwise subject to the approval of the board or the general meeting.

A director shall not vote on the resolution in relation to any contract, transaction, arrangement or proposal in which he/she or any of his/her close associates has material interest, and shall not be counted towards the quorum of the meeting.

Unless the interested directors, general manager, deputy general managers or other senior management members discloses their interests in accordance with the preceding paragraph of this article and such matter is approved at a board meeting or a general meeting in which the interested directors, general manager, deputy general managers or other senior management members are not counted towards the quorum and refrain from voting, the Company has the right to revoke such contract, transaction or arrangement except as against a bona fide party thereto acting without notice of the breach of duty by the interested directors, general manager, deputy general managers and other senior management members.

Directors, general manager, deputy general managers and the other senior management members of the Company are deemed to be interested in a contract, transaction or arrangement in which an associate of them is interested.

The provisions of the preceding paragraph shall apply to the contracts or transactions entered into between the Company and the close relatives of the directors and senior management, the enterprises directly or indirectly controlled by the directors and senior management or their close relatives, as well as the parties otherwise related to the directors and senior management.

Article 217 Where directors, general manager, deputy general managers and the other senior management members of the Company give the board a general notice in writing stating that, by reason of the facts specified in the notice, they are interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, such notice shall be deemed for the purposes of the preceding paragraph of this article to be a sufficient declaration of the interests of the relevant directors, general manager, deputy general managers and the other senior management members, 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 218 Directors and senior management shall not seek business opportunities belonging to the Company for themselves or others by utilizing their positions, except for any of the following circumstances:

(1) after reporting to the board of directors or the general meeting and passing a resolution at the board meeting or the general meeting in accordance with the provisions of the Articles of Association;

(2) where the Company cannot take such business opportunity in accordance with the provisions of laws, administrative regulations or the Articles of Association.

Article 219 Directors and senior management shall not directly engage in or operate for others any business of the same kind as that of the company in which they are employed without reporting to the board of directors or the general meeting and passing a resolution at the board meeting or the general meeting in accordance with the provisions of the Articles of Association.

Article 220 Where the board of directors resolves on a matter specified in Articles 182 to 184 of the Company Law, the related directors shall not participate in the voting and their voting rights shall not be counted towards the total number of voting rights. If less than three unrelated directors attend the board meeting, the matter shall be submitted to the general meeting for consideration.

Article 221 If the general meeting requires the presence of directors and senior management, the directors and senior management shall be present at the meeting and subject to the shareholders' enquiries.

Article 222 The Company shall not pay taxes for its directors, general manager, deputy general managers and any other senior management members in any manner.

Article 223 The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with a loan made to, directors, general manager, deputy general managers or other senior management members of the Company or of the Company's parent company or any of their respective associates.

The following transactions are not subject to such prohibition:

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

(2) the making by the Company of a loan or a guarantee or any other funds to any of its directors, general manager, deputy general managers and other senior management members to meet the expenditure incurred or to be incurred by him/her for the purposes of the Company or for the purposes of enabling him/her to perform his/her duties properly, according to an employment contract approved by the shareholders in general meeting;

(3) the Company may make a loan or provide a guarantee to any of the relevant directors, general manager, deputy general managers and other senior management members and their respective associates on normal commercial terms, provided that the ordinary course of business of the Company includes the lending of money or the giving of guarantees.

(4) the provision of financial assistance by the Company for others to purchase shares of the Company or its parent company under an employee stock ownership plan as stipulated in Article 24 of the Articles of Association.

A loan made by the Company in breach of the provisions of the preceding paragraph shall be forthwith repaid by the recipient of the loan regardless of the terms of the loan.

Article 224 A guarantee for loan provided by the Company in breach of Article 223 (1) of the Articles of Association shall not be compulsorily enforceable against the Company, unless:

(1) when the guarantee was provided in connection with a loan to an associate of any of the directors, general manager, deputy general managers and other senior management members of the Company or the Company's parent company, the lender was not aware of the relevant circumstances;

(2) the security provided by the Company has been lawfully disposed of by the loan provider to a bona fide purchaser.

Article 225 For the purposes 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 226 In addition to any rights and remedies provided by the laws, where directors, general manager, deputy general managers or other senior management members of the Company are in breach of their duties to the Company, the Company has a right to:

(1) claim damages from the directors, general manager, deputy general managers or other senior management members 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 directors, general manager, deputy general managers or other senior management members and any contract or transaction entered into by the Company with a third person who knows or should know that there is a breach of duties by the directors, general manager, deputy general managers and other senior management members, as a representative of the Company;

(3) demand an account of the profits made by the directors, general manager, deputy general managers or other senior management members in breach of his/her duties;

(4) recover any monies received by the directors, general manager, deputy general managers and other senior management members which should otherwise have been received by the Company, including (without limitation) commissions;

(5) demand payment of the interest earned or which may have been earned by the directors, general manager, deputy general managers and other senior management members on the monies that shall have been paid to the Company.

Article 227 The Company shall, with the prior approval of shareholders in general meeting, enter into a contract in writing with a director wherein his emoluments are stipulated. The aforesaid emoluments include:

(1) emoluments in respect of his/her service as director or senior management member of the Company;

(2) emoluments in respect of his/her service as director or senior management member of any subsidiary of the Company;

(3) 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) payment by way of compensation for loss of office, or as consideration for or in connection with his/her 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 any benefits which he/she should obtain in relation to the above matters.

Article 228 The contracts concerning the emoluments between the Company and its directors shall provide that, in the event of a takeover of the Company, the directors shall, subject to the prior approval of the shareholders in general meeting, have the right to receive compensation or other payment in respect of his/her loss of office or retirement.

A "takeover of the Company" referred to above shall mean either:

(1) an offer made by any person to all the shareholders; or

(2) an offer made by any person with a view to becoming a "controlling shareholder" himself.

If the relevant director does not comply with the provision of this article, any sum so received by him/her shall belong to those persons who have sold their shares as a result of their acceptance of the said offer. The expenses incurred in distributing such sum pro rata amongst those persons shall be borne by the relevant director and shall not be deducted out of the sum distributed.

Article 229 Directors and senior management personnel shall sign written confirmation opinions on the Company's securities issuance documents and periodic reports.

Directors and senior management personnel shall ensure that the Company discloses information in a timely and fair manner, and the information disclosed is true, accurate and complete.

In the event that the directors and senior management personnel cannot ensure the truthfulness, accuracy and completeness of the content of the Company's securities issuance documents or periodic reports or there exists any objection, they shall express their opinions and state the reason in the written confirmation opinions, and the Company shall disclose the same. Where the Company refuses to disclose, directors and senior management personnel may directly apply for disclosure.

Article 230 If a director or senior management member, in the performance of his duties, causes damage to others, the Company shall be liable for compensation; a director or senior management member shall also be liable for compensation if there is intentionality or gross negligence on his part.

Article 231 A controlling shareholder or de facto controller of the Company who instructs a director or senior management member to engage in acts detrimental to the interests of the Company or the shareholders shall be jointly and severally liable with such director or senior management member.

Article 232 The Company may take out insurance for the compensation liabilities of the directors arising from the performance of their duties during their terms of office.

After the Company has taken out or renewed liability insurance for its directors, the board of directors shall report to the general meeting on the amount and scope of coverage and insurance premium rate of the liability insurance.

CHAPTER 12 FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Section I Financial and accounting systems and profit distribution

Article 233 The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and PRC accounting standards formulated by the relevant government authorities of the state.

The accounting year of the Company adopts the Gregorian calendar, that is each accounting year shall be from January 1 to December 31.

The Company's accounts shall be prepared in Chinese with RMB as the reporting currency.

Article 234 At the end of each accounting year, the Company shall prepare a financial report, which shall be audited by an accounting firm as provided by the laws.

The financial and accounting reports shall be prepared in accordance with provisions of the laws, administrative regulations and the regulations of the financial department of the State Council.

Article 235 Unless otherwise required by laws, administrative regulations, departmental rules, regulatory documents and the relevant stock exchange(s) or regulatory authorities of the place(s) where the Company's shares are listed, the Company shall publish its financial reports twice every accounting year, that is, the interim financial report shall be published within 60 days after the end of the first six months of each accounting year and the annual financial report shall be published within 120 days after the end of each accounting year.

Unless otherwise required by laws, administrative regulations, departmental rules, regulatory documents and the relevant stock exchange(s) or regulatory authorities of the place(s) where the Company's shares are listed, the Company shall submit and disclose its annual reports to the local office of CSRC and the stock exchange(s) within four months from the ending date of each financial year, and its interim reports to the local office of CSRC and the stock exchange(s) within two months from the ending date of the first half of each financial year, respectively.

The above-mentioned annual and interim reports shall be prepared in accordance with the provisions of the relevant laws, administrative regulations, departmental rules and the securities regulatory rules of the place(s) where the Company's shares are listed, and shall be announced in accordance with the relevant provisions of the securities regulatory authorities of the place(s) where the Company's shares are listed.

Article 236 The board shall submit to the shareholders at every annual general meeting such financial reports as are required by the relevant laws, administrative regulations and directives promulgated by regional governments and competent authorities prepared by the Company.

Article 237 The Company's financial reports shall be made available for shareholders' inspection at the Company 20 days before the convening of the annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this chapter.

The Company shall, at least 21 days before the date of the annual general meeting, deliver the above mentioned reports or the report of directors together with the Company's financial statements to each shareholder of overseas listed foreign shares by means as permitted under the securities regulatory rules of the place(s) where shares of the Company are listed. In case of prepaid mail, the addresses of the recipients shall be such addresses as shown in the register of members.

Article 238 The financial statements of the Company shall be prepared in accordance with the PRC accounting standards and regulations, except those also prepared in accordance with either the international accounting standards or those of overseas jurisdiction where the shares of the Company are listed according to the provisions of laws, regulations, departmental rules and the securities regulatory rules of the place(s) where the shares of the Company are listed. In case of any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the notes of the financial statements. When the Company is to distribute its profit after tax of the relevant accounting year, the lower of the profit after tax as shown in the two financial statements shall be adopted.

Article 239 Any interim results or financial information published or disclosed by the Company must be prepared and presented in accordance with the PRC accounting standards and regulations, except those also prepared in accordance with either the international accounting standards or those of overseas jurisdiction where the shares of the Company are listed according to the provisions of laws, regulations, departmental rules and the securities regulatory rules of the place(s) where the shares of the Company are listed.

Article 240 The Company shall not prepare any account books other than the statutory account. The assets of the Company shall not be deposited in any account opened in personal capacity.

Article 241 The surplus reserve fund and capital reserve fund form the Company's reserve fund. The surplus reserve fund shall be divided into statutory surplus reserve fund and discretionary surplus reserve fund.

Capital reserve fund includes the following amounts:

(1) premium received when shares are issued at a premium to their par value;

(2) any other income required to be included in the capital reserve fund by the competent finance department of the State Council.

Article 242 When distributing each year's after-tax profits, the Company shall allocate 10% of its after-tax profits to the Company's statutory reserve fund. The Company is not required to make further allocation if the aggregate balance in the statutory reserve has reached more than 50% of the Company's registered capital.

Where the Company's statutory reserve fund is not enough to make up for the losses of the Company in the previous year(s), the current year's profits shall be applied to offset the losses before being allocated to the statutory reserve fund in accordance with the preceding paragraph.

Subject to the resolution of the general meeting, the Company may set aside funds for the discretionary reserve fund after allocation has been made to the Company's statutory reserve fund from its after-tax profits.

If the general meeting distributes profits to shareholders in violation of the Company Law, any profits distributed in violation of the aforementioned provisions shall be returned to the Company by the shareholder(s); in case of losses caused to the Company, shareholders and responsible directors and senior management shall be liable for compensation.

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

Article 243 The reserve funds of the Company can only be used for making up for losses, expansion of the Company's production and operation, or increasing the registered capital of the Company.

To make up for the losses with reserve funds, the Company shall first use discretionary reserve and statutory reserve; and may use capital reserve to make up for the remaining losses in accordance with relevant regulations.

The Company may convert its common reserve funds into capital upon a resolution approved in the general meeting and issue new shares to existing shareholders in proportion to their then respective shareholdings or increase the par value of each share, provided that, when the statutory reserve fund is converted for increase of registered capital, the balance of such statutory reserve fund shall not fall below 25% of the registered capital of the Company before conversion.

Article 244 The Company shall implement a stable, sustained and reasonable profit distribution policy, correctly handles the relationship between the Company's short-term interests and long-term development taking into full consideration of the interests of shareholders, and determines a reasonable profit distribution plan.

The Company shall formulate profit distribution policies in accordance with relevant laws and regulations and the Articles of Association, and shall give priority to the profit distribution method of cash dividends.

The board shall take into full account of various factors such as features of the industries where the Company operates, the stage of development of the Company, its own business model, level of profitability, debt servicing capability, and whether there is significant capital expenditure arrangement, to distinguish the following situations and put forward a differentiated cash dividend policy in accordance with the procedures as required by these Articles of Association:

(1) if the Company is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when making profit distribution;

(2) if the Company is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 40% when making profit distribution;

(3) if the Company is at the growing stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when making profit distribution.

If it is difficult to distinguish the Company's stage of development but the Company has significant capital expenditure arrangement, the profit distribution can be dealt with with reference to the preceding provisions. The specific stage of the Company at the time of actual profit distribution shall be determined by the board of the Company according to the specific circumstances.

Article 245

The Company distributes its profits in the form of cash, stocks or a combination of cash and stocks and other methods in accordance with laws and regulations. Profit distribution shall not exceed the amount of cumulative distributable profits and shall not damage the Company's capability to operate on an on-going basis. Provided that profits are recorded in a given year and there are no major investment plans or major cash expenditures, the Company shall give priority to dividend distribution in cash.

In principle, the Company will distribute profits once a year. If conditions permit, the board of directors of the Company may propose to distribute interim dividends according to the Company's then profit scale, cash flow situation, development stage and capital demand.

Except for special circumstances, provided that the Company makes profits in the current year and the accumulated undistributed profits are positive, the Company will give priority to dividend distribution in cash after appropriation in full of statutory reserve and discretionary reserve. When conditions for cash dividends are met, the profit distributed in cash shall not be less than 15% of the distributable profit realised in the current year, and the cumulative profit distributed in cash every three years shall not be less than 45% of the annual average distributable profit realised in the last three years.

The aforementioned "special circumstances" include the following:

(1) The Company's production and operation are significantly affected as a result of force majeure events (such as wars, natural disasters, etc.);

(2) The net cash flow generated from the current year's operating activities is negative, and the implementation of cash dividends will affect the subsequent on-going operation of the Company;

(3) The auditors do not issue a standard unqualified audit report on the Company's financial report for that year;

(4) The Company has a major investment plan or other major cash expenditures and other events have occurred (except for the fund-raising projects) (Major investment plan or major cash expenditure refers to: the accumulated expenditure of the Company's proposed external investment, assets acquisition or equipment purchase within the next 12 months reaches or exceeds 30% of the Company's latest audited net assets);

(5) Significant changes have taken place in the external operating environment, which have a significant impact on the Company's production and operation;

(6) Other events that have occurred or are expected to occur within the next 12 months will have a significant impact on the Company's production and operation condition and capital condition;

(7) The Company's year-end gearing ratio exceeds 70%.

When the Company is in good operating condition, and the board of directors believes that the Company's stock price does not match the size of its share capital and the stock dividends are in the interests of all shareholders of the Company as a whole, the stock dividend distribution plan can be proposed provided that the above-mentioned conditions for cash dividends are satisfied. When the Company adopts stock dividends for profit distribution, it should be carried out on the premise of giving shareholders a reasonable cash dividend return and maintaining an appropriate share capital scale, with comprehensive consideration of the actual and reasonable factors such as the growth of the Company and the dilution of net assets per share.

Article 246

The Company's profit distribution plan is formulated by the management and thereafter submitted to the board of directors and the audit committee for consideration. The board of directors will have full discussions on the reasonableness of the profit distribution plan, form a special proposal and submit the same to the general meeting for consideration. Where the Company records profits in the previous fiscal year, but the board of directors does not pay cash dividends or distributes profits according to a ratio lower than that stipulated in the Articles of Association, and the Company shall provide online voting channel to facilitate participation by the public shareholders in the voting at the general meeting.

When the Company formulates a specific plan for cash dividends, the board of directors shall conscientiously study and demonstrate the timing, conditions and minimum proportion of cash dividends, adjustment conditions and procedure requirements for decision-making of the Company.

Independent non-executive directors shall have the right to express their independent opinions if they consider that the specific plan for cash dividends may jeopardize the interests of the Company or the minority shareholders. If the board of directors does not adopt or does not fully adopt the opinions of the independent non-executive directors, it shall record the opinions of the independent non-executive directors and the specific reasons for not adopting the opinions in the resolution of the board of directors and disclose the same.

The profit distribution plan shall be submitted to the general meeting for consideration after being approved by the board of directors and the audit committee. Before the specific cash dividend plan is considered at a general meeting, the Company shall actively communicate with the shareholders, especially the minority shareholders, through various channels (including but not limited to telephone, fax, email, on-site reception, etc.), fully heed the opinions and demands of the minority shareholders, and reply to their concerns in a timely manner.

Where the Company does not pay cash dividends due to the special circumstances specified above, the board of directors shall make special explanations on the specific reasons for not paying cash dividends, the exact purpose for the Company's retained earnings and the estimated investment yields, etc. and submit the same to the general meeting for consideration, and disclose it in the media designated by the Company. The Company shall provide the shareholders with online voting methods when the above-mentioned related matters are considered at the general meeting.

The audit committee and independent non-executive directors of the Company shall supervise the implementation of the cash dividend policy and distribution plan as well as whether the corresponding decision-making procedures and information disclosure are implemented by the board of directors. If one of the following circumstances is identified in the board of directors, they shall express explicit opinions and urge the board of directors to rectify in time:

(1) Failure to strictly implement the cash dividend policy and distribution plan;

(2) Failure to strictly implement the corresponding decision-making procedures for cash dividends;

(3) Failure to disclose the cash dividend policy and its implementation truly, accurately and completely.

Article 247

When the Company convenes an annual general meeting to consider the annual profit distribution plan, it may consider and approve the conditions, the maximum percentage and the maximum amount of interim cash dividends for the following year. The maximum amount of the interim dividend for the following year to be considered at the annual general meeting shall not exceed the net profit attributable to shareholders of the Company for the corresponding period. The board of directors shall formulate a specific interim dividend plan in accordance with the resolution of the general meeting subject to the conditions for profit distribution.

Article 248 The Company shall strictly implement the cash dividend policy as stipulated in the Articles of Association as well as the cash dividend plan considered and approved at the general meeting. The Company may adjust its profit distribution policy under the following circumstances:

(1) in case of force majeure such as wars and natural disasters;

(2) in case of new laws, regulations or regulatory documents promulgated by the relevant departments of the state on the profit distribution policies of listed companies;

(3) changes in the Company's external operating environment (such as the adjustment of national policies and regulations) which have a significant impact on the Company's production and operation;

(4) relatively major changes in the Company's operating conditions which give rise to the need to change the profit distribution policy;

(5) it is necessary to adjust the Company's profit distribution policy from the perspective of protecting shareholders' rights or maintaining the normal and sustainable development of the Company.

The board of directors shall make a thematic discussion on the adjustment of the Company's profit distribution policy, demonstrate the reasons for the adjustment in detail, form a written demonstration report, which shall be approved by more than two-thirds of the shareholders at the general meeting holding shares carrying voting rights after the independent non-executive directors and the audit committee have expressed their audit opinions. When considering changes to the profit distribution policies, the Company shall provide shareholders with online voting methods. Opinions of the minority shareholders should be fully taken into account when the changes to the profit distribution policies are considered at the general meeting.

Article 249 After a resolution is made at the general meeting on the profit distribution plan, or after the board of directors of the Company has formulated a specific plan based on the conditions and maximum amount of interim dividends for the following year as considered and approved at the annual general meeting, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months after the conclusion of the general meeting.

Article 250 Dividends and other payments payable by the Company to holders of domestic shares shall be denominated and declared in RMB and paid in RMB. Those payable to holders of overseas listed foreign shares shall be denominated and declared in RMB and paid in foreign currency.

The Company shall pay foreign currency to holders of overseas listed foreign shares in compliance with the regulations of foreign exchange control of the State.

Unless otherwise stipulated by relevant laws and administrative regulations, when cash dividends and other payments are to be paid in foreign currency, the exchange rate shall be the 5-day average price published by the People's Bank of China for the 5 working days prior to the declaration of payment of such dividends and other payments.

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

Article 251 When distributing dividends to shareholders, the Company shall, based on the amount of distribution, withhold and pay on behalf of the individual shareholders the taxes payable on the dividends in accordance with the provisions of the PRC tax law.

Article 252 The Company shall appoint receiving agents by the Company for holders of overseas listed foreign shares to receive on behalf of such shareholders dividends distributed and other payables by the Company, who will hold the dividend in trust pending payment to the relevant shareholders.

The receiving agents appointed by the Company shall satisfy the relevant requirements of the laws of the place(s) and relevant regulations of the stock exchange(s) where the Company's shares are listed.

Subject to compliance with the PRC laws, the Company may exercise its right of forfeiture over unclaimed dividends, provided that such right shall not be exercised prior to the expiration of the applicable relevant time limit.

As for the dividend certificate sent by mail to the members, the Company is entitled to cease sending such dividend certificates after two consecutive failures of cashing after the posting of such dividend certificates. If the first dividend certificate fails to reach the members and is sent back, the Company is entitled to exercise such right.

The right to sell the shares of members who are unable to contact shall not be exercised unless the following requirements are satisfied:

(1) at least three dividends in respect of the shares in question have been distributed in the past 12 years and no dividend has been claimed during such period; and

(2) the Company has published an advertisement on the one or more newspapers of the place(s) where the shares of the Company are listed upon expiry of the 12 years regarding its intention to sell the shares, and has notified the same to the Hong Kong Stock Exchange.

Section II Internal audit

Article 253 The Company shall implement an internal audit system, clearly defining the leadership structure, responsibilities and powers, staffing, funding guarantees, use of audit results and accountability mechanisms for internal audit work.

The internal audit system of the Company shall be implemented after approval by the board of directors and disclosed publicly.

Article 254 The internal audit institution of the Company shall supervise and inspect the Company's business activities, risk management, internal controls, financial information and other matters.

Article 255 The internal audit institution shall report to the board of directors.

During the supervision and inspection of the Company's business activities, risk management, internal controls and financial information, the internal audit institution shall be subject to the supervision and guidance of the audit committee. If the internal audit institution identifies significant issues or leads, it shall immediately report directly to the audit committee.

Article 256 The internal audit institution shall be responsible for the specific organization and implementation of the Company's internal control evaluation. Based on the evaluation report issued by the internal audit institution and reviewed by the audit committee, along with relevant materials, the Company shall issue an annual internal control evaluation report.

Article 257 When the audit committee communicates with external audit entities such as accounting firms or national audit institutions, the internal audit institution shall actively cooperate, providing necessary support and collaboration.

Article 258 The audit committee shall participate in the performance evaluation of the head of the internal audit institution.

CHAPTER 13 APPOINTMENT OF ACCOUNTING FIRM

Article 259 The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of the PRC laws to carry out the audit of accounting statements, verification of net assets and other related consulting services for a term of one year which can be re-appointed.

Engagement or dismissal of an accounting firm shall be decided at the general meeting, and the board of directors shall not appoint an accounting firm prior to the decision of the general meeting.

Article 260 The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting of shareholders at which the appointment is made until the conclusion of the next annual meeting of shareholders.

Article 261 The accounting firm appointed by the Company shall have the following rights:

(1) to inspect the books, records and vouchers of the Company at any time, and to require the directors, general manager and other senior management members of the Company to provide any relevant information and explanation thereof;

(2) to require the Company to take all reasonable steps to obtain from its subsidiaries such necessary information and explanation for the performance of the duties of such accounting firm; and

(3) to be present at general meetings; to receive notice of meeting which any shareholder is entitled to receive or any information related to the meeting; and to speak in relation to the matters related to its capacity as the accounting firm of the Company at a meeting.

Article 262 The Company undertakes to provide the engaged accounting firm with true and complete accounting vouchers, account books, financial statements and other accounting information, and shall not withhold, conceal or misstate any information.

Article 263 If the position of accounting firm becomes vacant, the board may appoint an accounting firm to fill such vacancy before a general meeting is held. However, if there are other accounting firms holding the position of accounting firm of the Company while such vacancy still exists, such accounting firms shall continue to act.

Article 264 The shareholders in general meeting may, by ordinary resolution, dismiss any accounting firm before the expiration of its office notwithstanding the stipulations in the contract between the Company and the firm without prejudice to that firm's right to claim, if any, for damages in respect of such dismissal.

Article 265 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in general meeting.

Article 266 The Company's appointment, dismissal and non-renewal of the appointment of an accounting firm shall be resolved by shareholders in general meeting. The resolution of the shareholders' general meeting shall be filed with the securities regulatory authorities of the State Council (if required).

Where it is proposed that any resolution be passed at a general meeting concerning the appointment of an accounting firm, which is not an incumbent firm, to fill a casual vacancy in the office of the accounting firm, reappointment of a retiring accounting firm which was appointed by the board to fill a casual vacancy, or dismissal of the accounting firm before the expiration of its term of office, the following provisions shall apply:

(1) A copy of the proposal shall be sent to the firm proposed to be appointed or proposing to leave its post or the firm which has left its post in the relevant accounting year before notice of meeting is given to the shareholders (leaving its post includes being dismissed, resignation and retirement).

(2) If the firm leaving its post makes representations in writing and requests the Company to notify the shareholders of such representations, the Company shall (unless the representations are received too late):

    (i) in any notice given to shareholders about a resolution to be made, state the representations that has been made by the accounting firm which is about to leave;

    (ii) attach a copy of such representation to the notice and serve it to the shareholders who are entitled thereto in the manner stipulated in the Articles of Association.

(3) If the firm's representations are not sent in accordance with paragraph (2) of this article, the relevant firm may require that the representations be read out at the general meeting and may lodge further complaints.

(4) An accounting firm which is leaving its post shall be entitled to attend:

    (i) the general meeting at which its term of office would otherwise have expired;

    (ii) any general meeting at which it is proposed to fill the vacancy caused by its leaving its post;

    (iii) any general meeting convened on its resignation;

and to receive all notices of, and other communications relating to, any such meetings, and to speak at any such meetings in relation to matters concerning its role as the former accounting firm of the Company.

Article 267 Removal of accounting firms must be approved at the general meeting by way of an ordinary resolution. Prior to the dismissal or the non-renewal of the appointment of an accounting firm, the Company should notify such accounting firm 15 days in advance, and such accounting firm shall be entitled to express its opinion at the general meeting. Where the accounting firm resigns of its own accord, it shall make it clear to the general meeting whether there has been any impropriety on the part of the Company.

Article 268 Any accounting firm may resign by depositing a resignation letter at the Company's legal domicile. The notice shall become effective on the date deposit or on such later date as may be stipulated in such notice. Such notice shall include the following:

(1) a statement to the effect that there are no circumstances connected with its resignation which it considers shall be brought to the notice of the shareholders or creditors of the Company;

(2) a statement of any such circumstances.

Where a notice is deposited under the preceding paragraph, the Company shall within 14 days send a copy of the notice to the competent authority. If the notice contains a statement under paragraph 2 of the preceding article, a copy of such statement shall be placed at the Company for shareholders' inspection. The Company shall also send a copy of such statement by means specified in the Articles of Association or by prepaid mail to every holder of shares entitled to the financial condition report of the Company at the address registered in the register of members.

Where the notice of resignation of an accounting firm contains a statement of any circumstances which shall be brought to the notice, the accounting firm may require the board to convene an extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.

CHAPTER 14 MERGER, SPLIT, DISSOLUTION AND LIQUIDATION

Section I Merger and split

Article 269 In the event of the merger or split of the Company, a plan shall be proposed by the board of the Company and shall be approved in accordance with the procedures stipulated in the Articles of Association and the relevant examining and approving formalities shall be processed as required by law. Shareholders who oppose the plan of merger or split of the Company shall have the right to request the Company or the shareholders who agree with such merger or split plan to purchase their shares at a fair price.

A special document of the Company's resolution on the information of merger or split shall be prepared for inspection by the shareholders. The aforesaid document shall also be dispatched to the holders of H Shares by mail or by other means as provided in this Articles of Association.

Article 270 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

Article 271 In case of a merger between the Company and a company in which it holds over 90% of the shares, the merged company is not required to pass a resolution at the general meeting but shall notify other shareholders, who shall have the right to request the Company to acquire their equity or shares at a reasonable price.

If the consideration to be paid by the Company for the merger does not exceed 10% of the Company's net assets, it may not be subject to resolution of the general meeting unless otherwise provided for in the Articles of Association.

Where the merger of the Company is not subject to resolution of the general meeting in accordance with the provisions of the preceding two paragraphs, it shall be subject to resolution of the board of directors.

Article 272 In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the merger resolution and shall publish a notice in a newspaper or on the national enterprise credit information publicity system within 30 days of the date of the merger resolution. Creditors may, within 30 days after receipt of such notice, or within 45 days of the date of the first announcement for those who do not receive notice, to demand that the Company settle their debts or to provide corresponding securities.

During the merger of the Company, claims and liabilities of parties to the merger shall be taken over by the company subsisting after the merger or the newly established company.

Article 273 When the Company is to be split, its assets shall be split up accordingly.

In the event of a split of the Company, the parties to the split shall enter into a split agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the split agreement and shall publish a notice in a newspaper or on the national enterprise credit information publicity system within 30 days of the date of the split agreement.

Unless otherwise agreed by the Company and creditors on settling liabilities in writing prior to the split, debts incurred by the Company before its split shall be borne jointly and severally by the companies established after the split.

Section II Dissolution and liquidation

Article 274 In any of the following circumstances, the Company shall be dissolved:

(1) the term of business specified in the Articles of Association expires or any other cause of dissolution specified in the Articles of Association occurs;

(2) a resolution for dissolution is passed by shareholders at a general meeting;

(3) dissolution is necessary due to a merger or split of the Company;

(4) its business licence is revoked or the Company is ordered to close down or revoked in accordance with the law;

(5) where the Company suffers significant hardship in its operation and management, and ongoing existence may incur material damage to the interests of the shareholders, and no solution can be found through other channels, shareholders holding more than 10% of the total voting rights of the Company may request the people's court to dissolve the Company.

The Company shall, within ten days of the occurrence of the reasons for dissolution as stipulated in the preceding paragraph, disclose the reasons for dissolution on the national enterprise credit information publicity system.

Article 275 If the Company is in the situation described in items (1) and (2) of the first paragraph of the preceding article and has not yet distributed its properties to its shareholders, it may survive by amending the Articles of Association or by resolution of the general meeting.

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

Article 276 In the event that the Company is dissolved pursuant to paragraphs (1), (2), (4) and (5) of Article 274 of the Articles of Association, it shall be liquidated. The directors shall be the liquidation obligors of the Company, and a liquidation committee shall be established within 15 days since the event which triggers dissolution has occurred for liquidation.

The liquidation committee shall comprise the directors, unless the Articles of Association provide otherwise or the general meeting resolves to elect other person(s).

If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

Article 277 During the liquidation period, the liquidation committee shall exercise the following functions and duties:

(1) to ascertain the Company's assets and to prepare a balance sheet and an inventories of assets respectively;

(2) to notify creditors by sending notice or by making announcement;

(3) to deal with and settle the Company's outstanding business deals in relation to the liquidation;

(4) to settle outstanding taxes;

(5) to clear all claims and debts;

(6) to dispose of the remaining assets of the Company after the debts have been paid off;

(7) to represent the Company in any civil proceedings.

Article 278 The liquidation committee shall notify creditors within 10 days from the date of its establishment and publish a notice in a newspaper or on the national enterprise credit information publicity system within 60 days from the date of its establishment. Creditors shall, within 30 days after receipt of the notice, or for those who do not receive the notice, within 45 days from the date of the first announcement, declare their claims to the liquidation committee. The creditors who failed to declare their claims within the prescribed period shall be deemed to have given up their rights.

When declaring claims, creditors shall explain the relevant particulars of their claims and provide supporting materials. The liquidation committee shall register the claims.

The liquidation committee shall not make any debt settlement to the creditors during the period of declaration of claims.

Article 279 After ascertaining the Company's assets and preparing a balance sheet and an inventories of assets, the liquidation committee shall formulate a liquidation plan and submit the same to the general meeting or the People's Court for confirmation.

Payment of the liquidation costs shall take priority to other payments and after such payment, the assets of the Company shall be applied in the following order of priority: (1) salaries, social insurance premiums and statutory compensation of the Company's employees; (2) overdue taxes; (3) bank loans, corporate debentures and other debts of the Company.

The remaining assets of the Company after repayment of the amounts in accordance with the above paragraph shall be distributed to the shareholders of the Company according to the class of shares and the proportion of shareholdings.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities which are irrelevant with the liquidation. The Company's properties shall not be distributed to shareholders before repayments are made in accordance with the foregoing provisions.

Article 280 In the event that the liquidation committee, having examined the Company's assets and prepared a balance sheet and assets list, discovers that the Company's properties are insufficient to pay its debts in full, it shall immediately apply to the People's Court for a declaration of bankruptcy for liquidation.

After the bankruptcy application is accepted by the People's Court, the liquidation committee shall transfer the liquidation matters to the official receiver designated by the People's Court.

Article 281 The members of the liquidation committee shall fulfill their duties of liquidation and shall have the fiduciary and diligent obligations.

The members of the liquidation committee shall be liable for the losses caused to the Company by their negligence in performing their liquidation duties; and they shall be liable for the losses caused to the creditors by their willful or gross negligence.

Article 282 Upon completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the people's court for confirmation, and submit it to the company registration authority to apply for deregistration of the Company.

Article 283 In the event that the Company is declared insolvent according to law, insolvency liquidation process shall be carried out in accordance with the law on enterprise bankruptcy.

CHAPTER 15 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 284 The Company may amend its Articles of Association in accordance with the requirements of law, administrative regulation and the Articles of Association.

The Company will amend the Articles of Association in any of the following circumstances:

(1) The Company Law or the relevant laws and administrative regulations are amended and the provisions under the Articles of Association are contradictory to those under the amended laws or administrative regulations;

(2) There is inconsistency with matters as recorded in the Articles of Association when there are changes to the Company's circumstances;

(3) The general meeting has resolved to amend the Articles of Association.

Article 285 The board of directors shall amend the Articles of Association in accordance with the resolution on the amendments passed at the general meeting and the approval opinions of the competent authorities.

Any amendment to the Articles of Association shall be subject to disclosure if so required by the laws and regulations.

Article 286 The procedures for amending Article of Association shall be as follows:

(1) after passing resolutions pursuant to this Articles of Association, the board shall propose to the general meeting to amend the Articles of Association and draw up the amendment proposal;

(2) notify the shareholders of the Company of the above amendment proposal of the Article of Association and convene the general meeting for voting;

(3) the amendments submitted to the general meeting for voting shall be passed by special resolutions.

The board may be authorized by an ordinary resolution of general meeting: (1) in the event that the Company increases its registered capital, the board may amend the Articles of Association in respect of the registered capital of the Company based on the specific situations; and (2) in the event that the wordings or the sequence of the provisions of the Articles of Association of the Company approved by general meeting is required to be amended when submitted to the Ministry of Commerce and the securities regulatory department of the State Council for approval, the board may make relevant amendments according to the requirements of the Ministry of Commerce and the securities regulatory department of the State Council.

Article 287 The Company shall act according to the following principles to settle disputes:

(1) Whenever any disputes or claims concerning the Company's business based on the rights or obligations provided for in the Articles of Association or in the Company Law or other relevant laws or regulations arise between holders of the overseas listed foreign shares and the Company, holders of the overseas listed foreign shares and the Company's directors, general manager, deputy general managers or other senior management members, or holders of the overseas listed foreign shares and holders of domestic shares, such disputes or claims shall be referred by the relevant parties to arbitration.

Where a dispute or claim of rights abovementioned is referred to arbitration, the entire claim or dispute must be referred to arbitration, and all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall abide by the arbitration if they are the Company or the Company's shareholder, directors, general manager, deputy general managers or other senior management members.

Disputes in relation to the identification of shareholders and disputes in relation to the register of members need not be referred to arbitration.

(2) A claimant may elect to conduct the arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.

If a claimant elects to conduct the arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may request for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Centre.

(3) Unless otherwise provided by laws or regulations, the laws of the PRC shall apply to the settlement by means of arbitration of disputes or claims referred to in (1).

(4) The award of an arbitration body shall be final and conclusive and binding on all parties.

CHAPTER 17 NOTICE AND ANNOUNCEMENT

Article 288 Notices, communications or other written materials, documents (including but not limited to annual reports, interim reports, meeting notices, listing documents, circulars and proxy forms) (the "**Corporate Communication(s)**") of the Company can be issued in one or more of the following manners:

(1) by personal delivery;

(2) by mail;

(3) by announcement;

(4) by facsimile;

(5) by telegraph;

(6) by e-mail, or other electronic formats or information carriers;

(7) by posting on the website of the Company and the specified website of the stock exchange in accordance with the laws, administrative regulations and the securities regulatory rules of the place(s) where shares of the Company are listed and the stock exchange(s) of the place(s) where shares of the Company are listed;

(8) by any other means approved by the relevant regulatory authorities in the place(s) where the Company' shares are listed or as prescribed in the Articles of Association.

Article 289 Save as otherwise stipulated under the Articles of Association, if the notices to the holders of overseas-listed foreign shares are issued by way of announcement, the Company shall on the same day submit an electronic version of such announcement to the Hong Kong Stock Exchange through the electronic publishing system of the Hong Kong Stock Exchange for immediate release on the website of the Hong Kong Stock Exchange in accordance with the requirements of the local listing rules. The announcement shall also be published on the Company's website at the same time. In addition, in case of serving by post, the notice shall be delivered to each of the registered addresses as set forth in the register of holders of overseas listed foreign shares by way of personal delivery or pre-paid mail so as to give the shareholders sufficient notice and time to exercise their rights or take any action in accordance with the terms of the notice.

Subject to relevant laws, regulations, the securities regulatory rules of the place(s) where shares of the Company are listed and the Articles of Association, holders of overseas listed foreign shares of the Company may choose in writing to receive corporate communication that the Company is required to send to shareholders either by electronic means or by post, and may also elect to receive either the Chinese or English version only, or both the Chinese and English versions. The shareholders may also notify the Company to change their choices as to the manner of receiving and the language versions of the aforesaid information by giving a written notice to the Company in advance within a reasonable period in accordance with applicable procedures.

Article 290 When a notice dispatched by the Company is made by way of announcement, once announced, it shall be deemed as being received by all relevant parties.

For matters on which the Company shall make announcement(s) in accordance with the laws, administrative regulations and provisions of the securities regulatory authorities where the Company's shares are listed, or for matters on which the Company's general meeting and board decide to make announcement(s), the Company shall designate the media and website(s) approved by the securities regulatory authorities where the Company's shares are listed as the media and website(s) for publishing Company announcements and for information disclosure.

Article 291 As for notice sent by personal delivery, receiver shall sign (or stamp) on the receipt of the delivery, and the date of acknowledgement of receipt signed by the addressee shall be deemed as the date of delivery; as for notice sent by mail, the expiration of forty-eight hours after the notice is delivered to the post office shall be deemed as the date of delivery; as for notice of the Company made by announcement, the date on which the announcement is published for the first time shall be deemed as the date of delivery.

Article 292 Any notice, document, information or written statement given by a shareholder or director to the Company may be delivered by hand or by registered mail to the legal address of the Company.

Article 293 Shareholders or directors who wish to prove that notices, documents, information or written statements have been served on the Company shall provide evidential materials showing that the same have been served on the Company by usual means within the prescribed periods, as well as evidential materials showing that the mailing address is correct and the postage was fully paid.

Article 294 Where the securities regulatory rules of the place(s) where the Company's shares are listed require the Company to send, mail, distribute, issue, publish, or provide by other means the Company's relevant documents in both English and Chinese versions, if the Company has made appropriate arrangements to determine whether its shareholders wish to receive the English version or the Chinese version only, the Company may, to the extent permitted by laws and regulations and in accordance with applicable laws and regulations, (based on the preference indicated by shareholders) send the English or Chinese version only to relevant shareholders.

CHAPTER 18 SUPPLEMENTARY PROVISIONS

Article 295 The Articles of Association is written in Chinese. Should there be any discrepancy among the various versions in different languages, the latest Chinese version filed and registered with the company registration authorities shall prevail.

Article 296 Reference to the term "Accounting Firm" herein shall have the same meaning as ascribed to the term "Auditors" under the Listing Rules of the Stock Exchange.

Article 297 Unless otherwise required by the context, the following terms used in the Articles of Association shall have the following meanings:

(1) "all directors" refers to all members of the board of directors as stipulated in the Articles of Association.

(2) "other senior management personnel" refers to the deputy general manager, chief officer, secretary to the board, the general counsel and other senior management personnel recognised by the board. "General manager" and "deputy general manager" referred to in the Articles of Association shall have the same meaning as the manager and deputy manager of a company referred to as senior management under Article 265 of the Company Law.

(3) "Renminbi" refers to the legal currency of the People's Republic of China.

(4) "law" refers to the applicable laws, administrative regulations, departmental rules, local regulations, local government rules and government regulatory documents with legal binding force that are in force in the PRC on the effective date of the Articles of Association and are promulgated or modified from time to time. However, when used only with "regulations", it refers specifically to the legal norms adopted by the National People's Congress and its Standing Committee.

(5) "regulations" refers to the legal norms formulated by the State Council of the PRC in accordance with the Constitution and laws and promulgated as decree of the State Council.

(6) "subsidiary" refers to a company that is directly or indirectly controlled by the Company and has legal personality and independently bears civil liability.

(7) "controlling shareholder" refers to a person who meets one of the following conditions:

1. he/she alone or acting in concert with others has the power to elect more than half of the board of directors;

2. he/she alone or acting in concert with others, is entitled to exercise or to control the exercise of more than 30% of the voting rights of the Company;

3. he/she alone or acting in concert with others, holds more than 30% of the outstanding issued shares of the Company;

4. he/she alone or acting in concert with others, in any other manner has de facto control of the Company.

(8) "acting in concert" refers to two or more persons who, by way of agreement (whether verbal or written) or other arrangements, enlarge the proportion of the shares in the Company which are under their control or consolidate their control over the Company, so that when exercising the voting rights, the same expression of opinions will be made.

(9) "actual controller" refers to a natural person, legal person or other organisation who is not the Company's shareholder but can actually control the actions of the Company through investment relationship, agreement or other arrangement. The Company shall objectively and prudently determine the ownership of control according to the shareholding structure, nomination, appointment and removal of directors and senior management personnel and other internal governance conditions.

(10) "related-party relationship" refers to the relationship between the controlling shareholders, actual controller, directors, general manager and other senior management personnel of the Company and the enterprise directly or indirectly controlled thereby and any other relationship that may lead to the transfer of any interest of the Company. However, enterprises controlled by the State do not have a related-party relationship with one another simply because they are under the control of the State;

(11) "related party transactions" refers to "related party transactions" defined under the Science and Technology Innovation Board Listing Rules and/or "connected transactions" or "continuing connected transactions" defined under the Listing Rules of the Stock Exchange;

(12) "related parties" refers to "related parties" defined under the Science and Technology Innovation Board Listing Rules and/or "connected persons" defined under the Listing Rules of the Stock Exchange;

(13) "close associates" refers to "close associates" defined under the Listing Rules of the Stock Exchange.

Article 298 Except otherwise stipulated herein, references to "above", "within", "below" and "no/not more than" in the Articles of Association are inclusive of the relevant numbers themselves whereas "less than", "except", "outside" and "more than" are exclusive of the item itself.

Article 299 The board shall be responsible for the interpretation of the Articles of Association. The board may formulate detailed rules of the Articles of Association in accordance with the provisions herein. There shall not be discrepancy between the detailed rules and the Articles of Association.

Issues not covered in the Articles of Association shall be dealt with pursuant to the laws, administrative regulations and securities regulatory rules of the place(s) where the Company's shares are listed and in line with the actual circumstances of the Company. In the event of any discrepancy between the Articles of Association and the newly promulgated laws, administrative regulations or securities regulatory rules of the place(s) where the Company's shares are listed, the latter shall prevail.

Article 300 Appendices to the Articles of Association include the Rules of Procedures for General Meetings and the Rules of Procedures for the Board of Directors.

Article 301 The Articles of Association shall take effect upon approval at the general meeting and shall be filed and registered with the competent market regulation administrations.

(No body text below)

Zhuzhou CRRC Times Electric Co., Ltd.
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