

REPT BATTERO Energy Co., Ltd.

Articles of Association

CONTENTS

CHAPTER I	GENERAL PROVISIONS	1
CHAPTER II	BUSINESS PURPOSE AND SCOPE.....	3
CHAPTER III	SHARES.....	4
CHAPTER IV	SHARE CERTIFICATES AND SHARE REGISTER	13
CHAPTER V	RIGHTS AND OBLIGATIONS OF SHAREHOLDERS.....	16
CHAPTER VI	GENERAL MEETING	23
CHAPTER VII	THE BOARD OF DIRECTORS	40
CHAPTER VIII	SECRETARY TO THE BOARD OF THE COMPANY	52
CHAPTER IX	GENERAL MANAGER AND OTHER SENIOR MANAGEMENT ..	53
CHAPTER X	FINANCIAL AND ACCOUNTING SYSTEM.....	56
CHAPTER XI	PROFIT DISTRIBUTION	58
CHAPTER XII	INTERNAL AUDIT	60
CHAPTER XIII	APPOINTMENT OF ACCOUNTING FIRM	61
CHAPTER XIV	NOTICE	62
CHAPTER XV	MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION OF THE COMPANY.....	64
CHAPTER XVI	DISSOLUTION AND LIQUIDATION OF THE COMPANY	67
CHAPTER XVII	AMENDMENTS TO THE ARTICLES OF ASSOCIATION	70
CHAPTER XVIII	SUPPLEMENTARY PROVISIONS	71

CHAPTER I GENERAL PROVISIONS

- Article 1** In order to protect the legitimate rights and interests of REPT BATTERO Energy Co., Ltd. (hereinafter referred to as the “**Company**”), its shareholders, employees and creditors and to regulate the organization and activities of the Company, the Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “**Securities Law**”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”), and other relevant provisions of relevant laws, administrative regulations and regulatory documents.
- Article 2** The Company is a joint stock limited company established by way of overall alteration by REPT BATTERO Energy Co., Ltd. (hereinafter referred to as the “**REPT Energy Ltd**”) in accordance with the Company Law and other relevant provisions in the PRC. The Company was established by way of promotion upon the approval of Wenzhou Market Supervision and Administration Bureau and was registered with Wenzhou Market Supervision and Administration Bureau on April 7, 2022, and obtained a business license according to law (unified social credit code: 91330300MA299D8M4D).
- Article 3** Upon filing with the China Securities Regulatory Commission (hereinafter referred to as the “**CSRC**”) on October 19, 2023, the Company issued overseas listed foreign Shares (hereinafter referred to as the “**H Share(s)**”) in Hong Kong Special Administrative Region of the PRC (hereinafter referred to as “**Hong Kong**”), and the H Shares were listed on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “**Hong Kong Stock Exchange**”) on the Listing Date.
- Article 4** The registered name of the Company:
- Chinese name: 瑞浦蘭鈞能源股份有限公司
English name: REPT BATTERO Energy Co., Ltd.
- Article 5** Domicile of the Company: No. 205, Binhai 6th Road, Wenzhouwan New District, Longwan District, Wenzhou, Zhejiang Province
- Article 6** The registered capital of the Company is RMB2,336,874,050.

- Article 7** The Company is a joint stock limited company with permanent existence.
- Article 8** The director who represents the Company in the execution of its affairs (i.e., the chairman of the Board) is the legal representative of the Company and shall be elected by the Board.
- Where a director serving as the legal representative resigns, such resignation shall be deemed as a simultaneous resignation from the position of the legal representative.
- If the legal representative resigns, the Company will appoint a new legal representative within 30 days from the date of resignation.
- Article 9** The legal representative, when engaging in civil activities in the name of the Company, shall bind the Company to the legal consequences thereof.
- Any restrictions on the powers of the legal representative imposed by the Articles of Association or resolutions of the general meeting shall not be used as a defense against any bona fide counterparty.
- Where the legal representative causes damage to others in the performance of their duties, the Company shall bear civil liability. After assuming such liability, the Company may, in accordance with the law or these Articles of Association, seek compensation from the legal representative who is at fault.
- Article 10** Shareholders bear responsibility to the Company to the extent of the number of the shares they subscribe. The Company bears responsibilities for its debts with all its property.
- Article 11** Since the effective date, the Articles of Association shall constitute legally binding documents that regulate the organization and activities of the Company, the rights and obligations between the Company and its shareholders and between shareholders inter se.
- The Articles of Association shall be legally binding on the Company, its shareholders, directors and senior management, all of whom shall be entitled to, according to the Articles of Association, make claims in respect of rights concerning the matters of the Company.

Pursuant to the Articles of Association, shareholders may sue shareholders; shareholders may sue the Company; shareholders may sue directors and senior management of the Company; and the Company may sue shareholders, directors and senior management.

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

CHAPTER II BUSINESS PURPOSE AND SCOPE

Article 12 The business purpose of the Company is to improve the level of operation and management, maximize economic benefits and create satisfactory economic returns for all shareholders through the organization of a joint stock limited company.

Article 13 Upon registration according to the law, the Company’s business scope is as follows: general projects: battery manufacturing; battery sales; energy storage technology services; recycling and echelon use of wasted power storage batteries of new energy vehicles (excluding hazardous waste operations); recycling of renewable resources (except for productive scrap metal); renewable resource processing; renewable resource sales; resource recycling technology research and development; battery spare parts production; battery spare parts sales; electronic components manufacturing; power electronic components manufacturing; power electronic components sales; instrument and meter manufacturing; capacitor and ancillary equipment manufacturing; capacitor and ancillary equipment sales; charging pile sales; technical services, technology development, technical consultation, technology exchange, technology transfer, technology promotion; enterprise management; software development; information consulting services (excluding licensing information consulting services); information technology consulting services; engineering management services; leasing services (excluding licensing leasing services); non-residential real estate leasing; housing leasing; machinery and equipment leasing; metal material sales; import and export of goods; import and export of technology (except for projects subject to approval according to law, business activities can be carried out independently with a business license and in accordance with the law).

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 14 The shares of the Company shall take the form of share certificates. The Company shall have ordinary shares at all times. Ordinary shares issued by the Company include both domestic and foreign shares.

Where the share capital of the Company includes shares which do not carry voting rights, the designation of such shares must include the words “no voting rights”. Where the share capital includes shares with different voting rights, the designation of each class of shares, other than those with the most privileged voting rights, must include the words “restricted voting rights” or “limited voting rights”.

Transfer of shares shall be recorded in the register of members. The Company may keep the register of holders of overseas listed foreign shares and entrust the administration thereof to an overseas agent in accordance with the understanding and agreement reached between the Securities Regulatory Authorities of the State Council and the overseas Securities Regulatory Authorities. The original register of holders of overseas listed foreign shares listed in Hong Kong shall be kept in Hong Kong.

The Company shall keep a complete register of members. The register of members shall include the following parts:

- (I) the register(s) of shareholders kept at the Company’s domicile other than those specified in items (II) and (III) of this Article;
- (II) the register(s) of holders of overseas listed foreign shares kept in the place(s) of the overseas stock exchange(s) where the shares are listed;
- (III) the register(s) of shareholders kept in other places as the Board may decide and consider necessary for listing purposes.

Changes and corrections to each part of the register of members shall be carried out in accordance with the laws of the places where each part is kept.

Article 15 The Company shall issue shares in an open, fair and just manner, and each share of the same class shall rank *pari passu* with each other.

Shares of the same class in the same issue shall be listed under the same conditions and at the same price; any entity or individual shall pay the same price for each share subscribed.

Article 16 All the shares issued by the Company shall have a nominal value denominated in Renminbi which shall be RMB1.00 for each share.

Article 17 Subject to approval by or filing with the securities regulatory authority of the State Council, the Company may issue shares to domestic investors and foreign investors.

For the purposes of the preceding paragraph, the term “foreign investors” shall refer to investors from foreign countries or from Hong Kong, Macao or Taiwan that subscribe for the shares issued by the Company; and the term “domestic investors” shall refer to investors within the territory of the People’s Republic of China, excluding the above-mentioned regions, that subscribe for the shares issued by the Company.

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

For the purposes of the preceding paragraph, the term “foreign currency” means the legal currency of other countries or regions (other than the Renminbi) which is recognized by the competent state foreign exchange administration authority and can be used to pay the subscription monies to the Company.

Foreign shares issued by the Company and listed in Hong Kong are referred to as “H Shares”. H Shares are shares which have been admitted for listing on the Hong Kong Stock Exchange with a nominal value denominated in RMB and are subscribed for and traded in HK dollars.

Holders of domestic shares and holders of foreign shares are both ordinary shareholders and shall enjoy the same rights and assume the same obligations in respect of any distributions made in the form of dividends or other forms.

The Company's shares in issue but unlisted at both domestic and overseas stock exchanges shall be referred to as unlisted shares. Upon the issuance and listing of the Company's shares overseas, subject to filing with the securities regulatory authority of the State Council, holders of the unlisted shares of the Company may transfer all or part of the shares held by them to foreign investors and have such shares listed and traded on an overseas stock exchange; shareholders holding domestic unlisted shares of the Company (including domestic unlisted shares held by domestic shareholders prior to overseas listing, domestic unlisted shares issued in China upon overseas listing and unlisted shares held by overseas shareholders) may convert all or part of the domestic unlisted shares they hold into overseas listed shares, and the converted shares may be listed and traded on an overseas stock exchange. The shares transferred or converted as mentioned above shall also be subject to the regulatory procedures, regulations and requirements of the overseas securities market if they are listed and traded on an overseas stock exchange. The listing and trading of shares on an overseas stock exchange or the conversion of domestic unlisted shares into foreign shares for listing and trading on an overseas stock exchange as mentioned above does not require voting at the general meeting.

The domestic unlisted shares issued by the Company are collectively deposited with China Securities Depository and Clearing Corporation Limited. The H shares issued by the Company are mainly deposited in Hong Kong in an escrow company under Hong Kong Securities Clearing Company Limited.

Article 19 The Company is a joint stock limited company altered and established by conversion of the audited net assets as of November 30, 2021 into shares as a whole by REPT Energy Ltd. The total number of shares approved to be issued at the time of the establishment of the Company was 1,463,414,634 shares, all of which were subscribed for by the promoters of the Company at the time of its establishment with the net assets corresponding to the equity interests of REPT Energy Ltd held by them as capital contribution and were all ordinary shares. The number of shares held by each of the promoters at the time of the establishment of the Company and their percentage of shareholding are as follows:

No.	Name of promoters	Number of shares held (shares)	Percentage of shareholding	Form of contribution	Time of contribution
1	Yongqing Technology Co., Ltd. (永青科技股份有限公司)	1,050,146,341	71.7600%	By conversion of net assets into shares	November 30, 2021
2	Wenzhou Jingli Business Service Partnership (Limited Partnership) (溫州景鋰商務服務合夥企業(有限合夥))	264,000,000	18.0400%	By conversion of net assets into shares	November 30, 2021
3	Wenzhou Ruili Enterprise Development Partnership (Limited Partnership) (溫州瑞鋰企業發展合夥企業(有限合夥))	96,000,000	6.5600%	By conversion of net assets into shares	November 30, 2021
4	Wenzhou Qingshan Metal Material Partnership (Limited Partnership) (溫州青衫金屬材料合夥企業(有限合夥))	24,000,000	1.6400%	By conversion of net assets into shares	November 30, 2021
5	Wenzhou Zhuorui Energy Saving Technology Partnership (Limited Partnership) (溫州卓瑞節能技術合夥企業(有限合夥))	29,268,293	2.0000%	By conversion of net assets into shares	November 30,2021
Total		<u>1,463,414,634</u>	<u>100.0000%</u>	—	—

Article 20 The number of issued shares of the Company is 2,336,874,050 shares.

Article 21 As for the Company's plan to issue overseas listed foreign shares and domestic shares, the Board of the Company may make implementation arrangements for separate issuance.

Article 22 If the Company separately issues overseas listed foreign shares and domestic shares within the total number of shares specified in the issuance plan, the shares shall be fully subscribed for at one time; if the shares cannot be fully subscribed for at one time under special circumstances, the shares may be issued in several tranches.

Article 23 The transfer of the Company's shares shall be carried out in accordance with the applicable PRC laws and regulations, the relevant requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange.

The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide financial assistance in the form of gifts, advances, guarantees, borrowings and other forms or otherwise to any person for the purpose of acquiring shares of the Company or the parent company, except in the case of employee stock ownership plans implemented by the Company.

In the interest of the Company, and subject to a resolution of the Board of Directors, the Company may provide financial assistance to any person for the purpose of acquiring shares of the Company or the parent company. However, the aggregate amount of such financial assistance shall not exceed 10% of the total issued share capital of the Company. Any such resolution of the Board of Directors must be approved by more than two-thirds of all directors.

Section 2 Increase/Decrease and Repurchase of Shares

Article 24 The Company may, based on its operation and development needs and in accordance with laws and administrative regulations, increase its registered capital in the following ways in accordance with the listing rules of the stock exchange where the Company's shares are listed and the provisions of the Articles of Association:

- (1) offering of shares to unspecified parties;
- (2) offering of shares to specific parties;
- (3) distributing bonus shares to its existing shareholders;
- (4) conversion of capital reserve into share capital;
- (5) other means approved by the PRC laws and regulations, the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange.

After the Company's increase of share capital by means of the issuance of new shares has been approved in accordance with the provisions of the Articles of Association, it shall be made in accordance with the procedures set out in the relevant laws and administrative regulations of the PRC and the listing rules of the stock exchange where the Company's shares are listed.

Article 25 According to the Articles of Association, the Company may reduce its registered capital.

The Company shall reduce its registered capital in accordance with the Company Law, the listing rules of the stock exchange where the Company's shares are listed and other relevant regulations and the procedures stipulated in the Articles of Association.

Article 26 The Company may, in accordance with the procedures set out in the Articles of Association, repurchase its outstanding shares under the following circumstances:

- (1) the Company decreases its registered capital;
- (2) merging with another company that holds shares in the Company;
- (3) using the shares for employee stock ownership plan or equity incentives;
- (4) acquiring 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;
- (5) using the shares for conversion of corporate bonds issued by the Company that are convertible into shares;
- (6) it is necessary for the Company to safeguard its corporate value and shareholders' interests;
- (7) other circumstances stipulated by the PRC laws and regulations, the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange.

Except for the aforesaid circumstances, the Company shall not purchase its own shares.

Where the Company acquires its own shares under the circumstances set out in items (1) and (2) of the preceding paragraph, it shall be subject to the resolution of the general meeting; where the Company acquires its own shares under the circumstances set out in items (3), (5) and (6) of the preceding paragraph, it shall be subject to the resolution of the Board meeting attended by more than two-thirds of the Directors.

After the Company acquires its own shares in accordance with the provisions of the first paragraph of this Article, such shares shall be canceled within ten days from the date of buy-back in the case of item (1); such shares shall be transferred or canceled within six months in the case of items (2) and (4); such shares shall not exceed 10% of the total issued shares of the Company in the case of items (3), (5) and (6), and shall be transferred or canceled within three years.

Where the Company acquires its own shares, it shall fulfill its information disclosure obligations in accordance with the Securities Law and the Hong Kong Listing Rules.

Where the PRC laws and regulations, the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange have other provisions on the relevant matters relating to share repurchase, such provisions shall prevail.

Article 27 The Company may purchase its own shares in the manner of centralized public trading, or other methods approved by the PRC laws and regulations, the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange.

Where the Company purchases its own shares under the circumstances set forth in items (3), (5) or (6), paragraph 1 of Article 26 of the Articles of Association, it shall conduct trading in the manner of centralized public trading.

Section 3 Transfer of Shares

Article 28 Unless otherwise provided by the PRC laws and regulations, the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange, fully-paid shares of the Company are free from any restriction on the right of transfer and are freely transferable without any lien attached. Transfer of overseas listing foreign shares (H shares) listed in Hong Kong shall be made to the local share registrar in Hong Kong appointed by the Company.

Article 29 All fully paid-up H Shares may be freely transferred in accordance with the Articles of Association. However, unless such transfer complies with the following requirements, the Board of Directors may refuse to recognize any instrument of transfer without providing any reason:

- (1) the fees stipulated by the Hong Kong Stock Exchange in the Hong Kong Listing Rules, which shall not exceed the maximum rate specified in Hong Kong Listing Rules from time to time, have been paid to the Company, and transfer documents of the shares and other documents relating to or affecting the ownership the shares have been registered;
- (2) the instrument of transfer only involves the Hong Kong-listed H shares;
- (3) the stamp duty payable on the transfer instrument has been paid;
- (4) the relevant share certificates and evidence reasonably required by the Board of Directors showing that the transferor has the right to transfer such shares shall be provided;
- (5) if the shares are to be transferred to joint holders, the number of joint holders shall not exceed four;
- (6) the Company does not have any lien over the relevant shares; and
- (7) shares shall not be transferred to minors or persons of unsound mind or under other forms of legal incapacity.

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

Article 30 All H Shares shall be transferred by way of written transfer instrument in standard or general form, or any other format acceptable to the Board of Directors (including the standard transfer format or form of transfer as prescribed from time to time by the Hong Kong Stock Exchange). A written transfer document may be signed by hand or by the valid seal of the company (where the transferor or transferee is a company). In the event that the transferor or transferee is a recognized clearing house (“Recognized Clearing House”) as defined under the relevant ordinances in effect from time to time in the laws of Hong Kong or its agent, the written transfer document may be signed by hand or in a machine-printed form.

All the transfer documents shall be kept at the legal address of the Company or an address designated by the Board of Directors from time to time.

Article 31 The Company shall not accept its own shares as the subject matter of a pledge.

Article 32 Directors and senior management of the Company shall report to the Company their shareholdings in the Company and changes thereof and shall not transfer more than 25% of the total number of shares of the Company held by them each year during their term of office as determined at the time of their appointment. Shares of the Company held by them shall not be transferred within one year from the date of listing and trading of the Company’s H shares. The aforementioned personnel shall not transfer the shares of the Company held by them within half a year after they leave the Company.

Article 33 Any gains from the sale of shares of the Company by any director, senior management or shareholders holding more than 5% of the shares of the Company, who sells shares or other securities with an equity nature within six months after purchasing the same or purchasing shares or securities within six months after selling the same shall belong to the Company and the Company’s Board of Directors shall recover such earnings. However, the restriction shall not be applicable to any sale of shares by a securities company holding 5% or above of the Company’s shares as a result of its purchase and underwriting of the untaken shares after offering and other circumstances stipulated by the CSRC.

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

If the Board of Directors of the Company fails to comply with the provisions of the first paragraph of this Article, the shareholders shall have the right to request the Board of Directors to implement the provisions within 30 days. If the Board of Directors of the Company fails to carry out the enforcement within the aforesaid time limit, the shareholders shall have the right to directly file a lawsuit in the People's Court for the benefit of the Company in their own name.

If the Board of Directors of the Company fails to comply with the first paragraph of this Article, relevant responsible directors shall bear joint liability pursuant to the laws.

CHAPTER IV SHARE CERTIFICATES AND SHARE REGISTER

Article 34 Share certificates of the Company shall be in registered form. In addition to providing information required by the Company Law, share certificates of the Company shall also contain any other matters specified by the stock exchanges where the Company's shares are listed.

The Company may issue H shares in the form of foreign depositary certificates or other derivatives of shares in accordance with the requirements of the laws of Hong Kong, the requirements of the Hong Kong Stock Exchange and the practices of registration and deposit of securities.

Article 35 When the H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure that all of the listing documents relating to the securities listed on the Hong Kong Stock Exchange contain the following statements, and shall instruct and procure the share registrars not to register any subscription, purchase or transfer of share in the name of any individual holder unless and until he/she submits such properly executed forms to the share registrars, which shall include the following statements:

- (1) the share purchaser agrees with the Company and each shareholder of the Company, and the Company agrees with each shareholder, to observe and comply with the Company Law and other relevant laws, administrative regulations and the Articles of Association.
- (2) the share purchaser agrees with the Company and each shareholder of the Company that the shares of the Company are freely transferable by the holder thereof.

- (3) the share purchaser authorizes the Company to enter into a contract on his/her behalf with each director and senior management whereby such director and senior management undertake to observe and comply with their obligations to the shareholders stipulated in the Articles of Association.

Article 36 The Company shall create a register of shareholders based on the documents provided by the securities depository institution, and the register of shareholders is sufficient evidence of shareholders' holding of shares of the Company. The register of shareholders shall be kept at the Company and shareholders shall have the right to inspect it. The Company shall manage the register of shareholders in accordance with the Company Law and other laws and administrative regulations and the requirements of the relevant regulatory bodies.

Article 37 Subject to the Articles of Association and all other applicable requirements and upon transfer of the Company's shares, the transferees of the shares will become the holders of such shares with their names being entered in the register of shareholders.

All instruments of transfer and other documents related to the ownership of any overseas listing shares or affecting the ownership of any overseas listing shares shall be registered. If any fees are charged in respect of such registration, such fees shall not exceed the highest fees as prescribed by the Hong Kong Stock Exchange.

Where two or more persons are registered as joint shareholders of any shares, they should be deemed as joint owners of such shares and subject to the following restrictions:

- (1) the restricted number of holders jointly registered shall not exceed four if the Company is entitled to restrict the number of shareholders of joint shareholders account;
- (2) all joint shareholders of any shares shall jointly and severally assume obligation for all amounts payable for relevant shares;

- (3) if one of the joint shareholders deceased, only the surviving joint shareholders shall be deemed by the Company to be such persons as having the ownership of the relevant shares, but the Board of Directors shall have the right, for the purpose of making amendments to the register of shareholders, to demand a death certificate of the relevant shareholder where it deems appropriate to do so; and
- (4) in the event of there being joint shareholders of any share, any of them may attend a general meeting of the Company or exercise the voting rights of the shares (regardless of attendance in person or by proxy). If more than one of the joint shareholders attend the general meeting in person, or by proxy, only the attendee whose name appears first in the register of shareholders among such joint shareholders is entitled to vote for such shares, receive notices of the Company and attend or exercise all voting rights of the relevant shares at the general meeting of the Company. Any notices served to the aforesaid persons shall be deemed to have been served to all joint shareholders of relevant shares.

Any receipts issued by any joint shareholders in respect of any dividends, bonuses or capital returns payable to such joint shareholders shall be deemed to be the effective receipts issued by such joint shareholders to the Company.

Article 38 When the Company convenes the general meeting, pays dividends, goes into liquidation or is involved in other actions that require the confirmation of shareholders' identity, the Board of Directors or the convenor of the general meeting shall fix a date as the equity registration date, upon expiration of which the shareholders whose names appear on the register of members shall be the shareholders of the Company.

Article 39 For any person who is a registered shareholder or who claims to be entitled to have his/her name (title) entered in the register of shareholders in respect of shares in the Company, if his/her share certificate (hereinafter, "**original share certificate**") is lost, he/she may apply to the Company for a replacement share certificate in respect of such shares (hereinafter, the "**Relevant Shares**"). Applications for a replacement share certificate by shareholders of domestic shares shall be addressed pursuant to relevant requirements of the Company Law. Applications for a replacement share certificate by holders of overseas-listed foreign shares shall be addressed pursuant to the laws, the rules of the stock exchange, or other relevant regulations of the jurisdiction in which the original register of shareholders for overseas-listed foreign shares is maintained.

CHAPTER V RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

Article 40 A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is entered in the register of shareholders.

A shareholder shall enjoy rights and assume obligations according to the class and number of shares held by him. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Article 41 The ordinary shareholders of the Company shall enjoy the following rights:

- (1) to receive dividends and other distributions in proportion to the number of shares held;
- (2) to request, convene, preside over, attend or appoint a proxy to attend general meetings, to speak at the meeting and to exercise the corresponding voting rights in accordance with the laws;
- (3) to supervise the Company's operations, and to put forward proposals or raise inquiries;
- (4) the right to transfer, give or pledge shares held by them in accordance with laws, administrative regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association;
- (5) to obtain relevant information in accordance with the Articles of Association, including:
 1. the right to obtain the copy of the Articles of Association upon payment of the cost thereof;
 2. The right to inspect for free and copy upon payment of a reasonable fee:
 - (1) all parts of the copy of the register of shareholders;
 - (2) personal particulars of each of the Company's Directors, general managers and other Senior Management, including:
 - (a) present and former names and aliases;

- (b) principal address (residence);
 - (c) nationality;
 - (d) primary and all other part-time occupations and duties;
 - (e) identification document and its number;
- (3) status of the Company's share capital;
 - (4) the latest audited financial statements of the Company and the reports of the Board, auditors;
 - (5) reports showing the aggregate par value, quantity, highest and lowest price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount paid by the Company for this purpose;
 - (6) a copy of the latest annual inspection report filed with the competent administration for industry and commerce or other competent authorities;
 - (7) minutes of general meetings (for shareholders' review only) and special resolutions of the Company.

The Company shall publish the documents mentioned in the preceding paragraphs other than paragraph (2) and other applicable documents on the websites of Hong Kong Stock Exchange and the Company in accordance with the requirements of the Hong Kong Listing Rules. The Company shall make full copy of the register of shareholders and the minutes of the general meetings available at the Company's Hong Kong address for inspection by the shareholders for free and photocopying by shareholders upon a reasonable charge.

The Company may refuse to provide any of the information it has inspected and photocopied that involves commercial secrets and inside information of the Company as well as personal privacy of relevant personnel.

- (6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;
- (7) to request the Company to purchase the shares held by shareholders who vote against any resolution proposed in any general meetings on the merger or division of the Company;
- (8) Shareholders individually or jointly holding more than 1% of the Company's shares shall have the right to propose extraordinary resolutions in writing to the Board ten days prior to the convening of the general meetings;
- (9) other rights conferred by laws, administrative regulations, listing rules of the place where the shares of the Company are listed or the Articles of Association.

Article 42 Shareholders requesting to inspect or copy relevant company materials shall comply with the provisions of the Company Law, and other laws, administrative regulations, and the Articles of Association.

Article 43 If a resolution of the general meetings or Board of the Company violates a law or administrative regulation, shareholders have the right to petition the People's Court to invalidate the resolution.

If the procedure of convening or the method of voting at the general meetings or a Board meeting of the Company violates the laws, administrative regulations or these Articles of Association, or if the content of a resolution is in breach of these Articles of Association, shareholders shall have the right to petition the People's Court to revoke such resolution within 60 days from the date on which the resolution is adopted. However, if the procedural or voting irregularities are minor and have no material impact on the resolution, such requests shall not be entertained.

Where there is a dispute regarding the validity of a resolution of the general meetings among the Board of Directors, shareholders, or other relevant parties, a lawsuit shall be promptly filed with the People's Court. Before the People's Court renders a judgment or ruling revoking the resolution or otherwise, the relevant parties shall comply with the resolution of the general meetings. The Company, directors and senior management shall fulfil their duties in good faith to ensure the normal operation of the Company.

Upon the issuance of a judgment or ruling by the People's Court on the relevant matter, the Company shall perform its information disclosure obligations in accordance with laws, administrative regulations, the rules of the CSRC, and the stock exchange, fully explaining the impact, and shall actively cooperate with the enforcement of such ruling or judgment once it becomes effective. If prior matters need to be corrected, such corrections shall be promptly handled and the corresponding disclosure obligations fulfilled.

Article 44 The resolutions of the general meetings or the Board of Directors of the Company shall be null and void under any of the following circumstances:

- (1) No general meetings or Board of Directors meeting was convened to adopt the resolution;
- (2) The general meetings or Board of Directors meeting did not vote on the resolution matters;
- (3) The number of attendees or the number of votes cast at the meeting did not meet the quorum or voting rights required by the Company Law or these Articles of Association;
- (4) The number of shareholders or the number of votes cast in favour of the resolution did not meet the quorum or voting rights required by the Company Law or these Articles of Association.

Article 45 In the event of any loss caused to the Company as a result of violation of laws or the regulations of these Articles of Association by the directors or senior management who are not members of the Audit Committee when performing their duties, any of the shareholders who holds 1% or more of the shares individually or jointly for no less than 180 consecutive days shall have the right to request the Audit Committee in writing to initiate litigation before the People's Court. In the event of any loss caused to the Company as a result of violation of laws, administrative regulations or these Articles of Association by the Audit Committee when performing its duties, any of the shareholders may request the Board in writing to initiate litigation before the People's Court.

In the event that the Audit Committee or the Board dismisses the written request of any of the shareholders as specified in the preceding paragraph, or withholds from instituting litigation within 30 days of the receipt of the request, or that the failure to institute litigation immediately may otherwise cause irreparable damage to the interest of the Company in an urgent circumstance, such shareholder(s) as mentioned in the preceding paragraph shall have the right to initiate litigation before the People's Court in the name(s) of such shareholder(s) in the interest of the Company.

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

Where the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate laws, administrative regulations, or the provisions of these Articles of Association in the performance of their duties, thereby causing losses to the Company, or where any other party infringes upon the lawful rights and interests of the wholly-owned subsidiary and causes losses, shareholders who have held, individually or jointly, 1% or more of the Company's shares for 180 consecutive days or more may, in accordance with the provisions of the first three paragraphs of Article 189 under the Company Law, submit a written request to the supervisory committee or the board of directors of the wholly-owned subsidiary to file a lawsuit with the People's Court, or may directly file a lawsuit in their own name with the People's Court.

Article 46 In the event that any director or senior management violates laws, administrative regulations or these Articles of Association to the detriment of the interest of the shareholders, the shareholders may initiate litigation before the People's Court.

Article 47 The shareholders of the ordinary shares of the Company shall assume the following obligations:

- (1) to abide by laws, administrative regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association;
- (2) to pay for the shares according to the number of shares subscribed and the method of subscription;

- (3) not to withdraw their share capital unless required by laws and administrative regulations;
- (4) not to abuse their shareholders' rights to damage the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company and the limited liability of shareholders to damage the interests of the creditors of the Company;
- (5) other obligations imposed by laws, administrative regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association.

Article 48 Where any shareholder of the Company abuses the shareholders' rights and incur losses to the Company or other shareholders, such shareholder shall be liable for the damages in accordance with law. Where shareholders of the Company abuse the Company's status as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Article 49 "Controlling shareholder" used in these Articles of Association means a person that satisfies any of the following conditions:

- (1) he or she, acting alone or in concert with others, has the power to elect at least one half of the directors;
- (2) he or she, acting alone or in concert with others, has the power to exercise or to control the exercise of at least 30 percent of the Company's voting rights;
- (3) he or she, acting alone or in concert with others, holds at least 30 percent of the outstanding shares of the Company;
- (4) he or she, acting alone or in concert with others, actually controls the Company in any other manner.

Article 50 The controlling shareholder and de facto controller of the Company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, the requirements of the CSRC and the stock exchange, and safeguard the interests of the Company.

The controlling shareholder and the de facto controller of the Company bear a fiduciary duty toward the Company and public shareholders. The controlling shareholder shall exercise its rights as an investor in strict accordance with the laws. The controlling shareholder may not use such means as profit distribution, asset restructuring, investment in a third party, appropriation of funds, loan security, etc. or use its controlling position to harm the lawful rights and interests of the Company and the public shareholders.

Article 51 The controlling shareholder and de facto controller of the Company shall comply with the following provisions:

- (1) Exercise shareholder rights in accordance with the law, and shall not abuse control rights or exploit related-party relationships to the detriment of the legitimate rights and interests of the Company and other shareholders;
- (2) Strictly fulfil any public statements and commitments made, and shall not alter or waive them without authorization;
- (3) Strictly comply with relevant regulations in fulfilling information disclosure obligations, actively cooperate with the Company in disclosing information, and promptly inform the Company of any material events that have occurred or are expected to occur;
- (4) Shall not occupy or misappropriate the Company's funds in any manner;
- (5) Shall not compel, instruct, or require the Company or its relevant personnel to provide guarantees in violation of laws and regulations;
- (6) Shall not use the Company's undisclosed material information for personal gain, disclose any undisclosed material information related to the Company by any means, or engage in insider trading, short-swing trading, market manipulation, or other illegal or non-compliant activities;
- (7) Shall not harm the legitimate rights and interests of the Company and other shareholders through unfair related-party transactions, profit distribution, asset restructuring, external investment, or any other means;
- (8) Shall ensure the Company's asset integrity, personnel independence, financial independence, organizational independence, and business independence, and shall not affect the Company's independence in any manner;

- (9) Comply with other provisions stipulated by laws, administrative regulations, the CSRC, the business rules of the stock exchange, and the Articles of Association.

Where the controlling shareholder or de facto controller of the Company does not act as a director of the Company but actually carries out the affairs of the Company, the provisions of these Articles of Association relating to the duties of loyalty and diligence of directors shall apply.

Where the controlling shareholder or de facto controller of the Company instructs any director or senior management to engage in acts that are detrimental to the interests of the Company or its shareholders, such controlling shareholder or de facto controller shall bear joint and several liability together with the relevant director or senior management.

Article 52 Where the controlling shareholder or de facto controller pledges the shares of the Company held or actually controlled by them, they shall ensure the stability of the Company's control and normal business operations.

Article 53 When the controlling shareholder or de facto controller transfers the shares of the Company held by them, they shall comply with the restrictive provisions on share transfers as stipulated by laws, administrative regulations, the CSRC, and the stock exchange, as well as any commitments made regarding restrictions on share transfers.

CHAPTER VI GENERAL MEETINGS

Section 1 General Provisions for General Meetings

Article 54 The general meeting shall be composed of all shareholders. The general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:

- (1) to elect and replace Directors who are not representatives of the employees and to decide on matters relating to the remuneration of Directors;
- (2) to examine and approve reports of the Board of Directors;
- (3) to examine and approve the Company's profit distribution plans and loss recovery plans;

- (4) to resolve on the increase or reduction of the Company's registered capital;
- (5) to resolve on the issue of corporate bonds of the Company;
- (6) to resolve on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- (7) to amend the Articles of Association;
- (8) to resolve on the appointment or dismissal of the accounting firm of the Company engaged in the Company's audit business;
- (9) to examine and approve guarantees which shall be approved by the general meetings;
- (10) to consider and approve matters relating to the Company's purchase or disposal of material assets with an amount exceeding 30% of the latest audited total assets of the Company within one year;
- (11) to consider and approve matters concerning the changes of uses of the funds raised;
- (12) to consider share incentive plans and employee stock ownership plans;
- (13) to consider other matters required by the laws, administrative regulations, listing rules of the place where the shares of the Company are listed or the Articles of Association to be decided by the general meetings.

The above matters within the terms of reference of the general meetings shall be considered and decided by the general meetings. The above-mentioned powers of the general meetings shall not be exercised by the Board or other institutions or individuals by way of authorization. The general meetings may authorize or entrust the Board to handle the matters authorized or entrusted by it without violating the PRC laws and regulations, the securities regulatory authorities of the place where the Company's shares are listed and the Hong Kong Stock Exchange and the delegation of authority shall be clear and specific and shall be made in writing, but shall not delegate to the Board of Directors powers and functions that are legally exercised by the general meetings.

Article 55 Any external guarantee of the Company shall be considered and approved by the Board. Any guarantee provided by the Company to its shareholders or de facto controllers shall be subject to the resolution of the general meetings.

Under the following circumstances, the external guarantees of the Company must be considered and approved at the general meetings.

- (1) Guarantees provided after the total amount of external guarantees provided by the Company and its controlled subsidiary companies exceeds 50% of the Company's audited net assets of the last period;
- (2) Guarantees provided after the total amount of external guarantees provided by the Company exceeds 30% of the Company's audited total assets of the last period;
- (3) Guarantees provided by the Company to others within one year exceed 30% of the Company's audited total assets of the last period;
- (4) Guarantees provided for a party whose liability-asset ratio exceeds 70%;
- (5) A single guarantee which exceeds 10% of the Company's audited net assets of the last period;
- (6) Guarantees provided for shareholders, the actual controller, and the affiliates thereof.

When the general meetings is considering a proposal to provide guarantee for any shareholder or de facto controller, the said shareholder or the shareholders controlled by the said de facto controller shall be abstained from voting on the proposal, and the proposal shall be subject to approval by more than half of the voting rights of the other attending shareholders.

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

Article 56 Except in exceptional circumstances such as a crisis, the Company will not enter into a contract with a person other than a director, general manager or other senior manager to whom the management of the whole or significant part of the business of the Company is entrusted, except with the approval of a special resolution of the general meetings.

Article 57 The General Meetings are divided into annual general meetings and extraordinary general meetings. The annual general meetings shall be held once every year within six months after the end of the previous accounting year.

Extraordinary general meetings shall be convened when necessary. The Board shall convene an extraordinary general meetings within two months from the date of occurrence of any of the following circumstances:

- (1) the number of Directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the Articles of Association;
- (2) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-up share capital;
- (3) shareholders individually or jointly holding more than 10% of the Company's shares (including preferred shares with restored voting rights) request in writing;
- (4) when deemed necessary by the Board or as proposed by the Audit Committee;
- (5) other circumstances stipulated by the laws and regulations of the PRC, the securities regulatory authorities of the place where the shares of the Company are listed and the Hong Kong Stock Exchange.

In the event of the aforesaid (3) to (4), the topics of the meeting proposed by the convening requester shall be included in the agenda of the meeting.

Article 58 A meeting venue will be established for general meetings and meetings shall be held on site. The Company will also provide online voting to facilitate shareholders' participation in the general meetings.

The general meeting may be held not only in person at the meeting venue in the form of an on-site meeting, but also simultaneously through electronic communication means.

Section 2 Convening, Proposals and Notice of General Meetings

Article 59 General Meetings shall be convened by the Board in accordance with laws.

Subject to the consent of more than half of all the independent directors, independent directors shall have the right to propose to the board of directors the convening of an extraordinary General Meeting. With respect to this proposal, the board of directors shall, in accordance with laws, administrative regulations and these Articles of Association, bring forward a feedback opinion in writing, within ten days of receiving the proposal, on agreeing or disagreeing with convening the extraordinary General Meeting. In the event that the board of directors agrees to convene the extraordinary General Meeting, it shall issue a notice of convening a General Meeting within five days of making a resolution. In the event that the board of directors does not agree to convene the extraordinary General Meeting, it shall explain the reasons and make an announcement.

The Audit Committee shall have the right to propose to the board of directors the convening of an extraordinary General Meeting and shall do so in writing. The board of directors shall, in accordance with laws, administrative regulations and these Articles of Association, bring forward a feedback opinion in writing, within ten days of receiving the proposal, on agreeing or disagreeing with convening the extraordinary General Meeting.

In the event that the board of directors agrees to convene the extraordinary General Meeting, it shall issue a notice of convening a General Meeting within five days of making a resolution. Any changes in the original proposal in the notice shall be approved by the Audit Committee.

In the event that the board of directors does not agree to convene the extraordinary General Meeting or does not make any feedback within ten days of receiving the proposal, the board of directors shall be deemed as being unable to or as being not to perform the duty of convening the General Meeting. The Audit Committee may convene and preside over a meeting on their own.

Article 60 Shareholders who request to convene an extraordinary General Meeting shall follow the following procedures:

- (1) Shareholders individually or jointly holding more than 10% of the Company's shares (including preferred shares with restored voting rights) may sign one or more written requests of identical form and substance requesting the Board to convene an extraordinary General Meeting and stating the subject of the meeting. The Board shall bring forward a feedback opinion in writing within ten days of receiving the aforesaid written request, on agreeing or disagreeing with convening the extraordinary General Meeting. The aforesaid number of shares held shall be calculated as at the date of the written request.
- (2) If the board of directors agrees to hold the meeting, a notice of a general meeting shall be issued within five days after a resolution is made at a meeting of the board of directors, but any modification to the original request in the notice shall be subject to the consent of the relevant shareholder or shareholders.
- (3) If the board of directors disagrees to hold the meeting or no feedback is provided within 10 days after the request is received, the shareholder holding or shareholders aggregately holding 10% or more of the shares (including preferred shares with restored voting rights) of the Company shall have the right to propose the holding of an extraordinary general meeting to the Audit Committee, but shall request it in writing.
- (4) If the Audit Committee agrees to hold the meeting, it shall issue a notice of holding a general meeting within five days after receiving the request, but any modification to the original request in the notice shall be subject to the consent of the relevant shareholder or shareholders.
- (5) If the Audit Committee fails to issue a notice of holding a general meeting within the prescribed time limit, it shall be deemed that the Audit Committee fails to convene and preside over the general meeting, and a shareholding holding or shareholders aggregately holding 10% or more of the shares (including preferred shares with restored voting rights) of the Company for more than 90 consecutive days may convene and preside over the meeting on its or their own initiative.

Article 61 When the Company convenes a General Meeting, shareholders individually or jointly holding more than 1% of a company's shares (including preferred shares with restored voting rights) may submit ad hoc proposals in writing to the convener 10 days before the General Meeting is convened. The convener shall issue a supplementary notice of the General Meeting to other shareholders within two days after receipt of the proposal, and include the proposal into the agenda of the meeting and submit it to the General Meeting for consideration, however, except for those that violate the laws, administrative regulations, or these Articles of Association, or fall outside the scope of terms of reference of a general meeting.

Except for the circumstances specified above, the convener shall not amend the proposals set out in the notice of the General Meeting or add new proposals after the issuance of the notice of the General Meeting.

Proposals not set out in the notice of the General Meeting or not complying with these Articles of Association shall not be voted on or resolved at the General Meeting.

Article 62 Proposals of the General Meeting shall meet the following conditions:

- (1) the content does not conflict with the laws, regulations and these Articles of Association, and is within the scope of business of the Company and the terms of reference of the General Meeting;
- (2) they shall have definite topics to discuss and specific matters to resolve;
- (3) they shall be in compliance with the laws, administrative regulations and relevant provisions hereof;
- (4) they shall be submitted to the Board in writing.

Article 63 When the Company is to hold an annual General Meeting, it shall issue a written notice 20 days (excluding the date of the notice and the meeting) prior to the meeting informing all the registered shareholders of the matters to be considered at the meeting as well as the date and place of the meeting by way of an announcement. When the Company is to hold an extraordinary General Meeting, it shall issue a written notice 15 days (excluding the date of the notice and the meeting) prior to the meeting informing all the registered shareholders of the matters to be considered at the meeting as well as the date and place of the meeting by way of an announcement.

The notice of the General Meeting shall be published at the Company's website and the website designated by the Hong Kong Stock Exchange, and be published in the manner required by the Hong Kong Listing Rules.

Article 64 An extraordinary General Meeting shall not decide on matters not stated in the notice.

Article 65 The notice of a General Meeting shall include the following:

- (1) be made in writing;
- (2) the time, place and date of the meeting;
- (3) the matters and proposals submitted to the meeting for deliberation;
- (4) provide such information and explanation as are necessary for the shareholders to make sensible decisions on the proposals before them. This principle includes (but not limited to), where a proposal is made to amalgamate the Company with another, to repurchase shares, to reorganize the share capital, or to restructure the Company in any other way, the terms of the proposed transaction must be provided in detail together with the contracts, if any, and the cause and effect of such proposal must be seriously explained;
- (5) contain a disclosure of the nature and extent, if any, of the material interests of any Director, general manager and other Senior Management in the proposed transaction;
- (6) contain the full text of any special resolution proposed to be passed at the meeting;
- (7) contain conspicuously a statement that all ordinary shareholders (including preferred shares with restored voting rights) and shareholders with special voting rights shares and other shareholders are entitled to attend and vote in the general meeting, and can appoint proxies to attend and vote on their behalf in the meeting; such proxies need not be the shareholders of the Company;
- (8) specify the time and place for lodging proxy forms for voting at the meeting;

- (9) contain the registration date of shareholders entitled to attend the General Meeting;
- (10) contain the name and telephone number of the permanent contact person of the meeting;
- (11) voting time and voting procedures by online or other means;
- (12) other matters stipulated by laws, administrative regulations and regulatory documents.

Article 66 A meeting and the resolutions adopted thereat shall not be invalidated due to the accidental omission to give notice of the meeting to, or the non-receipt of notice of the meeting by, a person entitled to receive the notice.

In the event that a General Meeting is held through a network or otherwise, the notice of General Meeting shall explicitly state the voting time and voting procedures on the network or otherwise. Voting at the General Meeting on the network or otherwise shall commence subject to the relevant requirements of the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed.

Article 67 The board of directors of the Company and other convenors shall take necessary measures to ensure the normal order of a General Meeting. They shall take measures to prevent and promptly report to the relevant departments for any interference with the General Meeting, disturbance and violation of the legitimate rights and interests of shareholders.

Section 3 Convening, Voting and Resolutions of General Meetings

Article 68 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/her proxy to attend and vote on his/her behalf. A proxy so appointed shall be entitled to exercise the following rights in accordance with the authorization from that shareholder:

- (1) have the same right as the shareholder to speak at the general meeting;
- (2) have authority to demand or join in demanding a poll;

- (3) unless otherwise required by the laws and regulations of the PRC, the requirements of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Hong Kong Stock Exchange, exercise the right to vote by hand or on a poll, but when more than one proxy is appointed, the proxies may only vote on a poll.

Article 69 The instrument appointing a proxy shall be in writing under the hand of the principal or his attorney duly authorized in writing, or if the principal is a legal person either under seal of the legal person or under the hand of a Director or attorney duly authorized.

Article 70 The proxy form shall be placed at the domicile of the Company or at such other place as specified in the notice of meeting at least 24 hours prior to the meeting at which the proxy is authorized to vote or 24 hours prior to the specified time of the voting. If the proxy form is signed by a person authorized by the principal, the power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the proxy form, be deposited at the Company's domicile or at such other place as specified in the notice of the meeting.

If the principal is a corporate, its legal representative or such person as is authorized by resolution of its Board or other governing bodies to act as its representative may attend at the general meeting of the Company, and if such corporate shareholder has appointed a proxy to attend any meeting, such corporate shall be deemed to be present in person. A corporate shareholder may sign a voting proxy by a person duly authorized by him/her.

If a shareholder is a Recognized Clearing House (or its nominee), the shareholder may authorize one or more persons as it thinks fit to act as its representative(s) at any general meeting or creditors' meeting; however, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is authorized, and the power of attorney shall be signed by the authorized personnel of the Recognized Clearing House. The person so authorized may attend the meeting on behalf of the Recognized Clearing House (or its nominee) to exercise the rights without being required to present share certificate, notarized authorization and/or further evidence to prove that he/she is duly authorized as if he/she was an individual shareholder of the Company.

Article 71 The proxy form shall specify that if a shareholder fails to give instruction, the proxy may vote in such a way as he/she thinks fit.

Save as provided above, the aforesaid proxy form shall also specify the number of shares to be represented by the proxy, the name of the proxy; whether or not the proxy has any voting right(s); whether or not the proxy has any voting right(s) in respect of interim proposals which may be included in the agenda of the general meeting; and, if the proxy has such voting right(s), specific instructions as to the exercise of those voting rights, being separate instructions as to whether to vote for, vote against, or abstain from voting on, each item included on the agenda of the general meeting as an item for consideration thereat; the date of issue and validity period. If several persons are appointed as the shareholder's proxies, the proxy form shall specify the number of shares to be represented by each proxy.

Where the general meeting is attended by a proxy, he/she shall produce his/her own identity documents and the proxy form signed by (or under the seal of) the principal which indicates the date of issue, except for Recognized Clearing House (or its proxy). If the principal is a corporate shareholder, the proxy form shall be under the seal of the corporate.

Where the general meeting is attended by an individual shareholder in person, he/she shall produce his or her own identity documents. Where a corporate shareholder appoints its legal representative to attend the meeting, the legal representative shall produce his/her own identity documents and a notarially certified copy of the resolution signed by the Board or other governing bodies of the corporate shareholder or other notarially certified documents allowed by the Company, except for Recognized Clearing House (or its proxy).

HKSCC is entitled to appoint proxies or corporate representatives to attend the Company's general meetings and creditors meetings and those proxies or corporate representatives must enjoy rights equivalent to the rights of other shareholders, including the right to speak and vote.

Article 72 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or loss of capacity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share 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 73 General meetings shall be presided over by the chairman of the Board. In the event that the chairman of the Board is incapable of performing or fails to perform his/her duties, the meeting shall be presided over by a Director jointly elected by more than half of the Directors.

A general meeting convened by the Audit Committee on its own shall be presided over by the chairman of the Audit Committee. In the event that the chairman of the Audit Committee is incapable of performing or fails to perform his/her 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.

The general meeting convened by shareholder(s) shall be presided over by a representative elected by the convener.

Where the Audit Committee or shareholders convene a general meeting on its or their own, all the necessary costs incurred shall be borne by the Company, and the Board and the secretary to the Board shall cooperate. The Board shall provide the register of shareholders as at the record date.

When a general meeting is convened, if the chairman of the meeting violates the rules of procedure, making continuance of the general meeting impossible, with the consent of shareholders holding more than one half of the voting rights present at the meeting, the general meeting may elect a person to serve as the chairman of the meeting and the meeting shall continue.

Article 74 Resolutions of the general meeting shall be divided into ordinary resolutions and special resolutions.

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

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

A shareholder (including his/her proxy) attending the meeting shall vote for or against each resolution relating to every matter which has been put to vote at the relevant meeting. Any voting form which is uncompleted, wrongly completed, completed with illegible writing or not cast will be deemed as having waived voting rights, and the corresponding poll will be counted as “Abstain”. When the Company calculates the voting results on this matter, abstention votes are included in the number of votes with voting rights and participation.

Article 75 A shareholder (including his/her proxy) who votes at a general meeting shall exercise his/her voting rights in proportion to the number of voting shares he/she represents. Each share carries the right to one vote. At the time of voting, shareholders (including proxies) who have two or more votes are not required to cast all votes for or against a resolution. However, the Company has no voting right for the shares it holds, and such shares shall be excluded from the total number of voting shares represented by the shareholders attending the general meeting.

When the general meeting considers connected transactions, the connected shareholders shall not participate in the voting provided that applicable laws, regulations or the listing rules of the stock exchange of the place where the shares of the Company are listed requires. The voting shares held by his/her shall not be counted into the total number of valid votes. The public announcement on the voting results of the general meeting shall fully disclose the voting results of the non-connected shareholders.

According to applicable laws and regulations and the Hong Kong Listing Rules, where any shareholder is required to waive his/her voting rights or is restricted to cast only affirmative or negative vote on a certain resolution, any vote cast by the said shareholder or proxy thereof in violation of the relevant provisions or restrictions shall not be counted into the voting results.

Article 76 The general meeting shall have minutes which are recorded by the secretary to the Board and include the following contents:

- (1) the date and time, venue and agenda of the meeting and the name of the convener;
- (2) the names of the chairman of the meeting, and the Directors, general managers and other Senior Management attending or present at the meeting;

- (3) the number of shareholders and proxies present at the meeting, total number of voting shares held by them, and the percentage of voting shares held by them to the total number of shares of the Company;
- (4) the discussion process, key points of speech and voting results for each proposal;
- (5) any enquiries or suggestions raised by shareholders and the corresponding reply or explanation;
- (6) the names of the vote counter and the scrutineer;
- (7) other contents which shall be recorded in the minutes as required under the Articles of Association.

Article 77 The convener shall ensure that the minutes are true, accurate and complete. Directors, the secretary to the Board, the convener or his/her representative and the chairman of the meeting shall sign on the minutes. The minutes shall be kept together with the register for signing by attending shareholders and the proxy forms of their proxies and valid information on voting via the internet and other manners for a period of no less than 10 years.

Article 78 The following shall be resolved by an ordinary resolution at a general meeting:

- (1) work reports of the Board;
- (2) profit distribution plans and loss recovery plans formulated by the Board;
- (3) appointment and removal of the members of the Board (except for the employee representative Directors) and their remuneration and method of payment;
- (4) resolution on the employment, dismissal or non-renewal of the Company's accounting firm and its remuneration;
- (5) other matters other than those required by the laws, administrative regulations, the listing rules of the place where the shares of the Company are listed, or the Articles of Association to be adopted by special resolutions.

Article 79 The following shall be resolved by a special resolution at a general meeting:

- (1) the increase or decrease of the Company's registered capital;
- (2) division, merger, splitting, dissolution and liquidation of the Company;
- (3) amendments to the Articles of Association;
- (4) the purchase or sale of material assets by the Company, or the provision of guarantees to others, in either case where the amount involved within one year exceeds 30% of the Company's latest audited total assets;
- (5) equity incentive plans;
- (6) any other matters required by the laws, administrative regulations or the Articles of Association, and matters 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 shall be adopted by a special resolution;
- (7) other matters required by the listing rules of the place where the shares of the Company are listed to be approved by a special resolution.

If at any time the Company's shares are divided into different classes of shares, and the Company intends to change or abolish the rights of a particular class of shareholders, such change or abolition shall be passed by a special resolution of the affected class of shareholders at a separately convened general meeting.

Article 80 When a general meeting requires the Directors and Senior Management to attend the meeting, the Directors and Senior Management shall so attend and answer shareholders' questions.

Article 81 The chairman of the meeting shall decide, based on the voting results, whether or not a resolution of the general meeting shall be passed. His/her decision shall be final and shall be announced at the meeting and recorded in the minutes of the meeting.

Article 82 The nomination methods and procedures for the election of Directors (excluding employee representative Directors) at the general meeting are as follows:

- (1) Shareholders who hold or jointly hold more than 1% of the Company's total outstanding shares with voting rights may propose candidates for non-employee representative Directors to the general meeting by way of written proposal, provided that the number of candidates nominated shall comply with the provisions of the Articles of Association and shall not exceed the number of candidates to be elected. The aforesaid proposal made by shareholders to the Company shall be delivered to the Company at least ten days prior to the date of the general meeting.
- (2) The Directors may, within the number specified in the Articles of Association and based on the number of candidates to be elected, propose a list of candidates for Directors, and submit the list to the Board for review. After the Board have reviewed and resolved to determine the candidates for Directors, they shall submit a written proposal to the general meeting.
- (3) A written notice of the intention to nominate a candidate for election as a Director, the acceptance of nomination by such candidate and the relevant written materials of the nominated candidate shall be given to the Company not less than ten days prior to the date of the general meeting (such ten-day period shall commence no earlier than the second day after the issue of the notice of the meeting at which the election shall be conducted and end no later than ten days prior to the date of the general meeting). The Board shall provide shareholders with the resumes and basic information of the candidates for Directors.
- (4) The period for nominating candidates for Directors to submit the aforesaid notice and documents (such period shall commence from the day following the date of the notice of the general meeting) shall be no less than ten days.
- (5) The general meeting shall vote on each candidate for Director one by one. In the event of a temporary vacancy of Director, the Board shall propose to elect or replace one at the general meeting.

Employee representative Directors shall be elected by the Company's employees at an employee representative meeting or through other means of democratic election, without requiring consideration and approval at a general meeting. If the date of democratic election of employee representatives in the new Board of Directors is earlier than the date of formation of the new Board of Directors, their term of office shall commence on the date of formation of the new Board of Directors; if it is later than the date of formation of the new Board of Directors, their term of office shall commence on the date of democratic election.

Article 83 Shareholders attending the general meeting shall cast their votes for or against the proposed resolutions or abstain from voting. This Article does not apply to securities registration and clearing houses which, as nominee holders of shares subject to the Mainland-Hong Kong Stock Connect, cast their votes in accordance with the intentions of the actual holders.

With respect to voting forms which are uncompleted, wrongly completed, completed with illegible writing or not cast, the shareholders who cast such votes shall be deemed to have abstained from voting and such votes shall be calculated as abstentions.

Article 84 If the chairman of the meeting has any doubts concerning the result of the vote on any resolution, he/she may organize a recount of the number of votes cast. If the chairman of the meeting does not conduct a recount of the votes and an attending shareholder or proxy challenges the result of a vote announced by the chairman of the meeting, he/she has the right to demand a vote recount immediately following the announcement of the result, in which case the chairman of the meeting shall promptly organize a recount of the votes.

Article 85 If a vote recount is conducted at a general meeting, the result thereof shall be recorded in the minutes of the meeting.

The minutes of the meeting together with the sign-in register of attending shareholders and the proxy forms shall be kept at the Company's domicile.

CHAPTER VII THE BOARD OF DIRECTORS

Section 1 Directors

Article 86 A director shall be a natural person. A person who falls into any of the following circumstances shall not serve as a director of the Company:

- (1) a person without or with limited capacity for civil conduct;
- (2) a person who has been sentenced to criminal punishment due to corruption, bribery, infringement of property, misappropriation of property or destruction of the socialist market economic order, where less than five years have elapsed since the date of completion of the sentence; or a person who has been deprived of his political rights due to a crime, where less than five years have elapsed since the date of completion of the sentence, or in case of a probation, less than 2 years have elapsed since the expiration of the probation period;
- (3) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years has elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;
- (4) a person who was legal representatives of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who was personally liable, where less than three years has elapsed since the date of the revocation of the business license of the company or enterprise or closure by order;
- (5) a person who has a relatively large amount of debts due and outstanding and has been identified by the people's court as a person subject to enforcement for dishonesty;
- (6) a person who is currently being prohibited from participating in securities market by the China Securities Regulatory Commission and such barring period has not elapsed;

- (7) a person who has been publicly recognized by a stock exchange as unsuitable to serve as a director or senior management of a listed company, and for whom the prescribed period has not yet expired;
- (8) other circumstances specified by laws, administrative regulations or departmental rules.

For any election and appointment of a director in contravention of the provisions prescribed by this Article, such election, appointment or employment shall be void and null. Where a director falls into any of the aforesaid circumstances in his term of office, the director shall be removed from office and cease performance of duties.

Article 87 Directors shall be elected or replaced at general meetings and shall each serve a term of three years, subject to re-election upon expiry of the said term.

Subject to the applicable laws and administrative regulations, the general meeting shall have the power to remove any director by ordinary resolution before the expiration of his term of office without prejudice to any claim for damages by the director pursuant to any contract.

The term of office of a director shall commence from the date upon which the resolution is passed at the general meeting at which the director is elected (unless otherwise provided in the resolution of such general meeting) until the expiry of the term of office of the current session of the Board. Where the re-election of directors is not held in time after the term of office of the existing directors has expired, the original director shall, before the newly-elected director assumes his post, carry out duties as a director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association.

Article 88 Directors shall comply with the provisions of the laws, administrative regulations and the Articles of Association, fulfill fiduciary obligation to the Company, take measures to avoid conflicts of interest between their personal interests and the interests of the Company, and shall not use their authority to seek improper benefits.

Directors shall fulfill fiduciary obligations to the Company as follows:

- (1) not to misappropriate the property of the Company or the funds of the Company;

- (2) not to set up accounts in his own name or in the name of any other person for the purpose of depositing any of the funds of the Company;
- (3) not to take advantage of their functions and powers to accept bribes or other illegal income;
- (4) without reporting to the Board of Directors or the general meeting, and without being passed by the Board of Directors or general meeting by way of resolutions in accordance with the provisions of the Articles of Association, not to directly or indirectly enter into contracts or transactions with the Company;
- (5) not to abuse his position to seize business opportunities for himself or for other persons which shall otherwise belong to the Company, but except those which have been reported to the Board of Directors or in general meeting and passed by way of resolutions of the general meeting, or the Company shall not use the business opportunity in accordance with the provisions of laws, administrative regulations or the Articles of Association;
- (6) without reporting to the Board of Directors or in general meeting and being passed by resolutions of the general meeting, not to operate a business similar to that of the Company for himself or for other persons;
- (7) not to misappropriate commissions derived from transactions entered into between other persons and the Company;
- (8) not to disclose confidential information of the Company without permission;
- (9) not to abuse his connections with the Company to jeopardize the interests of the Company;
- (10) other fiduciary obligations as required by the laws, administrative regulations, departmental rules and the Articles of Association.

Any income derived by a director in violation of the provisions of this Article shall belong to the Company. The director shall be liable for indemnifying the Company against any loss incurred.

Article 89 Directors shall comply with the provisions of the laws, administrative regulations and the Articles of Association, and fulfill due diligence obligations, perform duties with reasonable care that managers should ordinarily exercise in the best interests of the Company.

Directors shall fulfill the following due diligence obligations:

- (1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the state's laws, administrative regulations and economic policies, not going beyond the scope of business specified in the Company's business license;
- (2) to treat all shareholders impartially;
- (3) to keep informed of the business operations and management of the Company;
- (4) to sign the regular reports of the Company for written confirmation, and to ensure the information disclosed by the Company is true, accurate and complete;
- (5) to faithfully provide the Audit Committee with relevant information, and not to interfere with the Audit Committee in performing their duties and powers;
- (6) to fulfill other due diligence obligations stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

Article 90 A director who cannot attend the meetings of the Board in person twice consecutively nor appoints any other directors to attend on his behalf is deemed as failure in performing his duties, and shall be subject to replacement as recommended by the Board at the general meeting.

Article 91 A director may request to resign before expiry of his term of office. The director to resign shall submit to the Board a written report in relation to his resignation. The resignation shall become effective on the date the Company receives the letter of resignation.

In the event that the resignation of any director results in the number of members of the Board falling below the quorum, the existing director shall continue to perform his duties in accordance with the laws, administrative regulations, departmental rules and the provisions of the Articles of Association until the re-elected director assumes office.

The Company shall establish a management system for director resignations, clearly specifying the accountability and compensation measures for unfulfilled public commitments and other outstanding matters.

Article 92 When a director's resignation takes effect or his term of office expires, the director shall complete all handover procedures with the Board, and his fiduciary duties to the Company and shareholders shall not be discharged after the termination of office, but shall remain valid within a reasonable period specified in the Articles of Association. The responsibility that a director bears during their term of office due to the performance of his duties shall not be waived or terminated upon leaving office.

The duty of confidentiality of directors in relation to trade secrets of the Company survives the termination of their tenure until such trade secrets become public. The duration of other fiduciary duties shall be determined in accordance with the principle of fairness, depending on the time lapse between the termination and the occurrence of the matter as well as the circumstances and conditions under which the relationship with the Company is terminated.

Article 93 A director may be removed by resolution of the general meeting, with such removal taking effect on the date the resolution is passed.

Where a director is removed prior to the expiration of his term without proper cause, the director may claim against the Company for compensation.

Article 94 The Company shall have independent non-executive directors. Except as otherwise provided by this section, the provisions relating to the qualifications and obligations of directors in Chapter VII of the Articles of Association shall apply to independent non-executive directors. The number of independent non-executive directors shall account for at least one-third of the Board and shall be no less than three, of whom there shall be at least one independent non-executive director with appropriate accounting qualification or related financial management expertise. Independent non-executive directors shall faithfully perform their duties and safeguard the interests of the Company, with particular attention to ensuring that the legitimate rights and interests of public shareholders are not jeopardized, so as to ensure that the interests of all shareholders are adequately represented.

If an independent non-executive director fails to meet the conditions of independence or other circumstance arises which makes it inappropriate for him to perform his duties and responsibilities as an independent non-executive director, thereby causing the failure of the Company to meet the requirements of these Articles of Association concerning the number of independent non-executive directors, the Company shall immediately notify the Hong Kong Stock Exchange and explain the relevant details and reasons by way of announcement, and appoint a sufficient number of independent directors to satisfy the requirements of the Hong Kong Listing Rules within three months of non-compliance with the relevant requirements.

At least one of the independent non-executive directors of the Company is ordinarily resident in Hong Kong.

Article 95 If a director causes damage to others in performing his duties for the Company, the Company shall be liable for compensation; and if a director commits willfully or has gross negligence, he or she shall also be liable for compensation.

A Director whose term of office has not yet expired shall be liable for compensation for any loss caused to the Company due to his unauthorized resignation or his violation of laws, administrative regulations, departmental rules or the Articles of Association in performing his duties.

Article 96 Without the legal authorization by the Articles of Association or the Board, no director shall act on behalf of the Company or the Board in his own name. Where a director acts in his own name, the director shall declare in advance his position and identity in the case that a third party would reasonably believe that the director is acting on behalf of the Company or the Board.

Section 2 The Board

Article 97 The Company has a Board of Directors, which is accountable to the general meeting. The Board of Directors shall comprise twelve (12) directors, including four (4) independent non-executive Directors and one (1) employee representative Director. The Board shall have a chairman.

The chairman shall be elected and removed by more than half of all the directors for a term of three years and may be re-elected. A director is not required to hold any shares of the Company.

Article 98 The Board is held accountable to general meeting and exercises the following powers:

- (1) to convene general meetings and report its work to the general meeting;
- (2) to implement the resolutions of the general meeting;
- (3) to decide on the Company's business plans and investment plans;
- (4) to formulate the Company's profit distribution plan and loss recovery plan;
- (5) to formulate the proposals for increase or reduction of the Company's registered capital and the issuance and listing of bonds or other securities of the Company;
- (6) to formulate plans for material acquisitions, purchase of the Company's shares, merger, division, dissolution and change of corporate form of the Company;
- (7) to decide on the Company's external investment, acquisition and disposal of assets, pledge of assets, external guarantees, entrusted financial management, connected transactions, external donations and other matters within the scope authorized by the general meeting;
- (8) to determine the establishment of the Company's internal management structure;

- (9) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board; to appoint or dismiss the Company's deputy general manager, responsible financial officer and other senior management as nominated by the general manager, and to decide on their remuneration, rewards and punishments;
- (10) to formulate the Company's internal management structure;
- (11) to formulate proposals for any amendment to the Articles of Association;
- (12) investment, acquisition or disposal of assets, financing, connected transactions and other matters required to be decided by the Board in accordance with the Hong Kong Listing Rules;
- (13) to manage the information disclosure under the laws, regulations, the Hong Kong Listing Rules and internal regulations of the Company;
- (14) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;
- (15) to listen to the work report of the general manager of the Company and inspect the work of the general manager;
- (16) to decide on other important issues of the Company, other than the motions to be considered at the general meeting under the Company Law and the Articles of Association;
- (17) to exercise other functions and powers conferred by laws, administrative regulations, departmental rules, listing rules in the place where the Company's shares are listed (including but not limited to the responsibilities of the board in the Corporate Governance Code as set out in Appendix to the Hong Kong Listing Rules) or the Articles of Association.

The Board shall approve the above resolutions by more than half of all directors.

Article 99 The Board of the Company shall explain to the general meeting the non-standard opinions on the financial report of the Company contained in the audit report issued by the certified accountant.

Article 100 The Board shall formulate the rules of procedures of the Board to ensure implementation of the resolutions of the general meetings, enhance work efficiency and ensure scientific decision-making.

Article 101 The Board shall determine the authority of external investments, acquisition and disposal of assets, pledge of assets, external guarantees, entrusted financial management, connected transactions, external donations, etc.; and establish strict review and decision-making procedures. As to substantial investments, experts or professionals shall be engaged for evaluation and shall be reported to the general meeting for approval.

Article 102 The chairman of the Board exercises the following powers:

- (1) to preside over general meetings and convene and preside over meetings of the Board;
- (2) to supervise and inspect the implementation of resolutions of the Board;
- (3) other powers stipulated by laws and regulations or the Articles of Association and authorized by the Board.

Where the chairman is unable to perform his/her duties, a director nominated by more than half of the directors shall perform his/her duties.

The Board may, if necessary, authorize the chairman of the Board to exercise part of the powers of the Board when it is in recess, the principles and specific contents of the authority shall be clearly stated. The exercise of powers by the Board that are legally required shall not be granted to the chairman of the Board or a director.

Article 103 Board meetings comprise regular meetings and extraordinary meetings. Board meetings shall be held at least four times a year and shall be convened by the chairman of the Board.

Article 104 Under any of the following circumstances, the chairman of the Board shall convene an extraordinary meeting of the Board within ten days after receipt of the proposal:

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

(2) proposed by more than one-third of the directors or the Audit Committee.

Article 105 Notice shall be given to all directors at least 14 days prior to a regular meeting of the Board, and at least 5 days prior to an extraordinary meeting of the Board. The responsible body of the Company shall serve a written notice of the meeting convened to all directors and the general manager by hand, fax, express mail service or other means of electronic communication. Notices that are not served by hand shall be confirmed by telephone and record should be made accordingly.

In case of emergency and an extraordinary meeting of the Board is required to be convened as soon as possible, the notice of meeting may be given by telephone or by other verbal means at any time, but the convener shall provide an explanation at the meeting.

Article 106 A notice of regular and extraordinary meeting of the Board shall contain reasonable details of the agenda of such meetings, which shall at least include the following details:

- (1) date and venue of the meeting;
- (2) duration of the meeting;
- (3) purpose and matters to be discussed;
- (4) date of issue of the notice.

Article 107 The notice of meeting shall be deemed to have been issued to a director if he is present at the meeting and does not raise out the issue of non-receipt of such notice prior to or at the time of his arrival at the meeting.

Regular or extraordinary meetings of the Board may be held by way of teleconference or through other communication devices, and so long as the participating directors can hear and communicate with each other, all participating directors are deemed to have had participated in the meeting in person.

Article 108 The quorum of the meeting of the Board shall be more than half of the directors. When counting the quorum of the meeting, directors who have material interests in relevant contract, transaction or arrangement shall not be counted in the quorum.

Each director has one vote. Unless otherwise provided by law, administrative regulations and the Articles of Association, resolutions of the Board shall be passed by more than half of all directors, directors who have material interests in relevant contract, transaction or arrangement shall abstain from voting.

Article 109 A director shall attend the meetings of the Board in person. If a director is not able to attend the meeting of the Board for any reason, he may appoint in writing other directors to attend the meeting on his behalf and specify the scope of authorization in the proxy.

The director attending the meeting on other's behalf shall only exercise the rights of director within the scope of authorization. If a director fails to attend a meeting of the Board and do not appoint a representative to attend on his behalf, such director shall be deemed to have waived his right to vote at such meeting.

Article 110 When a director is connected to an enterprise or an individual related to a resolution of the meeting of the Board, such director shall promptly submit a written report to the Board of Directors. Such connected director shall not exercise his or her voting rights in respect of such resolution, nor shall he or she vote on behalf of other directors. The meeting of the Board may be held with the presence of more than half of the non-connected directors, resolutions at the meeting of the Board shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meeting of Board is less than three, the matter shall be submitted to the general meeting for consideration.

Article 111 When the Board makes a resolution relating to a connected transaction of the Company, the resolution shall be signed by the independent non-executive directors before it becomes effective.

Article 112 Any material matters to be decided by the Board of the Company must be handled in strict accordance with the specified procedure, and notice shall be given to all directors at the time required by the Articles of Association and sufficient information shall be given at the same time. The directors may request additional information. When more than one-fourth of the directors or two independent non-executive directors consider that the information and materials are not sufficient or they are unable to make a decision on the matters for other reasons, they may jointly propose to postpone the meeting of the Board or delay the discussion of certain matters to be resolved in the meeting of the Board, and the Board shall adopt the relevant proposal.

Article 113 Unless otherwise required by the laws and regulations or the Listing Rules of Hong Kong, the Board may accept the written proposals in lieu of convening Board meetings, but the draft of such proposals shall be delivered to each director through direct delivery, post, fax or e-mail. If a written proposal has been circulated to all directors by the Board, and the number of directors signed and approved such proposal has reached the required quorum for making a decision, after the signed document for approving such proposal has been delivered to the secretary to the Board by one of the aforesaid means, such proposal will become a resolution of the Board, and deemed to have the same legal effect as a resolution passed at a meeting of the Board convened in accordance with the procedures set out in the relevant provisions of the Articles of Association.

Article 114 The Board shall keep minutes of resolutions on matters discussed at the meeting, all attending directors and the recorder of the minutes shall sign the minutes of such meetings. The minutes of the meeting of the Board shall be kept as record of the Company for a period of no less than ten years.

Minutes of the Board meetings shall include the following contents:

- (1) the date and venue of the meeting and the name of the convener;
- (2) the names of the attending directors and the directors (proxies) attending the meeting on behalf of others;
- (3) the agenda of the meeting;
- (4) the highlights of directors' speeches;
- (5) the voting method and result of each resolution (the result shall specify the number of votes for, against and abstaining).

Directors shall be liable for the resolutions of the Board. If the resolutions of the Board violate the laws, administrative regulations or the Articles of Association, and the Company suffers a material loss as a result thereof, the directors participating in the resolutions are liable to the Company for the losses. However, if it can be proven that a director expressly objected to the resolution when it was voted on, and that such objection was recorded in the minutes of the meeting, such director may be released from such liability.

Section 3 Special Committees of the Board

Article 115 The Board has established the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee and Environmental, Social and Governance (ESG) Committee. The duties, personnel composition and rules of procedures of the special committees shall be resolved separately by the Board. Where necessary, the Board may establish other special committees. Special committees of the Board are specialized work bodies under the Board which provide advice or advisory opinions for the Board on material decisions. The special committees shall not make any decision in the name of the Board. However, the committees may exercise decision-making power in respect of the authorised matters in accordance with a special power given by the Board.

Each special committee is responsible to the Board. All members of the special committees shall be Directors. The Audit Committee shall comprise at least three members, who shall be non-executive Directors. The majority of its members shall be independent non-executive Directors with at least one independent non-executive Director holding proper qualification as required by the Hong Kong Listing Rules, or appropriate accounting or related financial management expertise. The chairman of the Audit Committee shall be an independent non-executive Director. Members and the chairman of the Audit Committee shall be elected by the Board of Directors. The majority of the Remuneration and Appraisal Committee shall be independent non-executive Directors and the chairman of the Remuneration and Appraisal Committee shall be an independent non-executive Director. The chairman of the Nomination Committee shall be the chairman of the Board or an independent non-executive Director and the majority of the Nomination Committee shall be independent non-executive Directors. The Board may also set up additional special committees or adjust the existing committees if necessary. The Board shall separately formulate the working rules of the special committees of the Board in respect of the duties, rules of procedures and methods of convening meetings for each special committee.

CHAPTER VIII SECRETARY TO THE BOARD OF THE COMPANY

Article 116 The Company shall have a secretary to the Board. The secretary to the Board is a member of the Senior Management of the Company.

Article 117 The secretary to the Board shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed or dismissed by the Board. His/her primary responsibilities are:

- (1) to be responsible for the preparations for the general meetings and Board meetings;
- (2) to ensure that the Company has complete organizational documents and records;
- (3) to ensure that the Company prepares and submits the reports and documents required by the competent authorities in accordance with the laws;
- (4) to ensure that the register of shareholders of the Company is properly maintained and that persons entitled to the relevant records and documents of the Company are furnished with such records and documents without delay;
- (5) handling of information disclosure;
- (6) to perform other functions and powers conferred by the Board and required by laws, regulations and the stock exchange where the Company's shares are listed.

Article 118 Directors or other Senior Management of the Company may concurrently serve as the secretary to the Board. The accountant of the accounting firm engaged by the Company and the management personnel of the Controlling Shareholders shall not act as the secretary to the Board.

When a Director serves concurrently as the secretary to the Board, such Director may not, in his/her dual capacity, take any action which is required to be taken separately by a Director and the secretary to the Board.

CHAPTER IX GENERAL MANAGER AND OTHER SENIOR MANAGEMENT

Article 119 The Company shall have one general manager, three to seven deputy general managers, one responsible financial officer, one secretary to the Board, who shall be appointed or dismissed by the Board.

The general manager, deputy general manager, responsible financial officer, secretary to the Board and other personnel determined by the Board are the Senior Management of the Company.

A person who holds an administrative position other than Director and supervisor in an entity where the Company holds controlling shares may not serve as the senior management of the Company.

The senior management of the Company only receive salaries from the Company and the controlling shareholder shall not pay salaries thereto on behalf of the Company.

Article 120 The circumstances of disqualification for Directors and the provisions of the resignation management system prescribed in the Articles of Association shall be applicable to senior management.

The duty of loyalty of Directors hereof shall be applicable to the senior management.

Article 121 The term of office of the general manager shall be three years, and can be reappointed by the Board upon expiry.

Article 122 The term of office of a general manager shall start from the date his appointment is resolved by the Board, and shall end upon the expiry of the current term of the Board.

Article 123 The general manager shall be accountable to the Board and exercise the following functions and powers:

- (1) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board and to report to the Board;
- (2) to organize the implementation of the Company's annual business plans and investment plans;
- (3) to formulate plans for the establishment of the Company's internal management structure;
- (4) to draft the Company's basic management system;

- (5) to formulate the specific rules and regulations of the Company;
- (6) to propose the appointment or dismissal of the deputy general manager, responsible financial officer and other senior management of the Company;
- (7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board;
- (8) to propose to convene an extraordinary meeting of the Board;
- (9) to decide on other matters of the Company within the scope of authorization of the Board;
- (10) to decide on investment, acquisition or disposal, financing and other projects other than those that must be decided by the Board and the General Meeting;
- (11) other powers conferred by the Articles of Association or the Board.

Senior management other than the general manager shall assist the general manager in his work and may exercise part of the functions and powers entrusted to the general manager.

Article 124 The general manager shall formulate working rules of the general manager which shall be implemented after being approved by the Board.

Article 125 The working rules of the general manager shall include:

- (1) the conditions, procedure and participants of the general manager's meeting;
- (2) specific responsibilities and work allocation of the general manager and other senior management;
- (3) use of funds and assets of the Company, scope of authorization to enter into material contracts and reporting policies regarding the Board;
- (4) other matters which the Board deems necessary.

Article 126 The general manager shall attend the meetings of the Board and, if the general manager is not a Director, he shall not have voting right thereat.

Article 127 The general manager may resign before expiry of his term of office.

Article 128 If any member of the senior management causes damage to others in performing his duties for the Company, the Company shall be liable for compensation; and if such member of the senior management commits any fact willfully or with gross negligence, he or she shall also be liable for compensation.

If the senior management violates laws, administrative regulations, department rules or the Articles of Association when performing his duties in the Company, he/she shall indemnify the Company against losses incurred due to such violation.

Article 129 Senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all the shareholders. If the Company's senior management fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the law.

CHAPTER X FINANCIAL AND ACCOUNTING SYSTEM

Article 130 The Company shall establish its financial and accounting system in accordance with the law, administrative regulations and the requirements of the relevant department of the PRC.

Article 131 The Company shall adopt the Gregorian calendar year for its accounting year, namely that the accounting year shall be from 1 January to 31 December.

At the end of each accounting year, the Company shall prepare a financial report which shall be audited and verified according to law.

The financial statements of the Company shall be prepared in accordance with accounting standards and regulations of the PRC, as well as in accordance with international accounting standards, or the accounting standards of the overseas listing place. If there are material differences between the financial statements prepared in accordance with the two accounting standards, it should be specified in the notes to the financial statement.

In distributing its after-tax profits of the relevant accounting year, the lower of the after-tax profits as shown respectively in the abovementioned two financial statements shall be adopted.

Article 132 The Company's Board of Directors shall make available before the shareholders at every annual general meeting such financial reports prepared by the Company in accordance with the relevant laws, administrative regulations and regulatory documents promulgated by the local governments and the competent authorities.

Article 133 The Company shall not maintain books of accounts other than those provided for by law. The Company's assets shall not be deposited in an account maintained in the name of any individual.

Article 134 The Company's financial reports shall be made available for shareholders' inspection at the Company twenty (20) days prior to the date of the annual general meeting. Each shareholder of the Company has the right to receive a copy of such financial reports mentioned in this Chapter.

The financial report mentioned in the preceding paragraph shall comprise the directors' report, together with the balance sheet (including all other documents to be annexed as required by the PRC or other laws and administrative regulations) and the profit and loss statement (the profit statement) or the statement of income and expense (the statement of cash flow), or (subject to the relevant laws of the PRC) the summary financial report as approved by the Hong Kong Stock Exchange.

The Company shall deliver or send by prepaid mail the above-mentioned financial reports to each holder of overseas-listed foreign shares at the address recorded in the register of shareholders at least 21 days before the annual general meeting is convened. The Company can proceed by way of announcements, including announcement via the Company's website, on condition that such announcements are in compliance with the laws, administrative regulations, departmental rules and the relevant requirements of the securities regulatory authorities of the place where the Company's shares are listed.

Article 136 The Company shall publish twice every accounting year its financial reports prepared in accordance with international accounting standards or the accounting standards of the overseas listing place, i.e., to publish its interim financial report within 60 days after the end of the first six months of each accounting year, and to publish its annual financial report within 120 days after the end of each accounting year.

Where the laws and regulations of the PRC, the securities regulatory authorities in the place where the Company's shares are listed and the Hong Kong Stock Exchange have other provisions regarding the above announcements, such provisions shall prevail.

CHAPTER XI PROFIT DISTRIBUTION

Article 137 In distributing the profit after tax of the current year, the Company shall allocate 10% of its profit into its statutory reserve fund. When the aggregate amount of the statutory reserve fund of the Company is more than 50% of its registered capital, further appropriations are not required.

Where the statutory reserve fund of the Company is insufficient to make up for the losses of the previous year, the profits of the current year shall be used to make up for such losses before making allocation to its statutory reserve fund in accordance with the preceding paragraph.

After allocation of its profits after tax to its statutory reserve fund, the Company may, subject to the approval of the General Meeting, allocate its profits after tax to its discretionary reserve fund.

After making up for the losses and making allocations to the reserve fund, any remaining profits after tax shall be distributed to shareholders in proportion to their respective shareholdings.

If the general meeting violates the Company Law when distributing profits to shareholders, the profits distributed in violation of laws shall be returned to the Company by the shareholders. Shareholders, directors, and senior management who cause losses to the Company shall be liable for compensation.

The Company's shares held by the Company are not entitled to any profit distribution.

Article 138 The reserve fund of the Company can be applied for making up for losses of the Company, expansion of the Company's production and operation or increasing the registered capital of the Company.

The Company shall apply its surplus reserves to cover losses using discretionary reserves and statutory reserves firstly; and if the losses cannot be covered, the Company may apply the capital reserves according to rules.

Where the statutory reserve fund is converted into capital, the balance of the reserve fund shall not fall below 25% of the Company's registered capital prior to such conversion.

Article 139 After the General Meeting of the Company makes a resolution on profit distribution plan, the Board of Directors shall complete the distribution of dividends (or shares) within 2 months after the convening of the general meeting.

Article 140 Any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to receive a dividend subsequently declared.

Article 141 The Company shall appoint a receiving agent for holders of overseas-listed shares. The receiving agent shall receive on behalf of such shareholders any dividends or other amounts payable by the Company to them in respect to the overseas-listed shares, and such payment shall be kept by the receiving agent on such shareholders' behalf for any payment to them.

The receiving agent appointed by the Company shall satisfy requirements under the laws of the places where the Company's shares are listed or the rules of relevant stock exchange.

The receiving agent appointed by the Company for holders of overseas-listed shares listed at the Hong Kong Stock Exchange shall be a trust company registered under the Trustee Ordinance of Hong Kong.

Subject to the relevant laws and regulations of the PRC, the Company may exercise its right to claim over unclaimed dividends, provided that such right shall not be exercised until after the expiration of the applicable limitations period.

The Company has the power to cease sending dividend warrants by post to a holder of overseas-listed shares if such warrants have been left uncashed. The Company shall not exercise such power until such warrants have been so left uncashed on two (2) consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered.

In relation to the exercise of right to issue warrants to bearer, no new warrant shall be issued to replace one that has been lost unless the Company is satisfied beyond a reasonable doubt that the original warrant has been destroyed. The Company has the right to sell, by means considered appropriate by the Board of Directors, the shares of a holder of the overseas-listed shares who is untraceable under the following circumstances:

- (1) During a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and
- (2) Upon expiry of the 12 years, the Company gives notice of its intention to sell the shares by way of an announcement published in one or more newspapers in the place where the Company's shares are listed and notifies the securities regulatory authorities where the shares of the Company are listed.

Article 142 The cash dividend and other amount paid by the Company to the holders of domestic shares shall be paid in Renminbi. The cash dividend and other amounts paid by the Company to the holders of overseas-listed shares shall be denominated and declared in Renminbi and paid in Hong Kong Dollars. The foreign currency required for the payment of cash dividends and other amount by the Company to the holders of overseas-listed shares shall be arranged in accordance with the provisions of the PRC in relation to foreign exchange administration.

Article 143 Unless otherwise provided in relevant laws and administrative regulations, where cash dividends and other amounts are paid in Hong Kong Dollars, the central parity rate of the relevant foreign exchange posted by the People's Bank of China for the Gregorian calendar week immediately preceding the date of declaration of the dividends or other payment shall be used as the exchange rate.

CHAPTER XII INTERNAL AUDIT

Article 144 The Company shall implement an internal auditing system, clarifying the leadership system, responsibility authorities, personnel allocation, funding assurance, audit result application, and accountability of internal audit work.

Article 145 The internal audit institution of the Company shall supervise and inspect the business activities, risk management, internal control, financial information, and other matters of the Company.

The internal audit institution shall maintain its independence, be staffed with dedicated auditors, and shall not be placed under the leadership of the finance department or share office space and resources with it.

Article 146 The internal audit institution shall be accountable to the Board of Directors.

During the process of supervising and inspecting the Company's business operations, risk management, internal control, and financial information, the internal audit institution shall be subject to the supervision and guidance of the Audit Committee. If the internal audit institution discovers any material issues or leads, it shall report them directly to the Audit Committee without delay.

Article 147 The internal audit institution shall be responsible for organizing and implementing the internal control evaluation of the Company. Based on the evaluation report issued by the internal audit institution and reviewed by the Audit Committee, together with relevant materials, the Company shall issue an annual internal control evaluation report.

Article 148 The internal audit institution shall actively cooperate and provide necessary support and assistance when the Audit Committee communicates with external audit institutions such as accounting firms and national audit authorities.

Article 149 The Audit Committee shall participate in the performance appraisal of the head of internal auditing.

CHAPTER XIII APPOINTMENT OF ACCOUNTING FIRM

Article 150 The Company appoints an accounting firm which is qualified under the Securities Law and the securities regulatory rules of the place where the shares of the Company are listed to perform services such as financial statement audits, net asset verification, and other related consulting services. The accounting firm appointed by the Company shall hold their position from the conclusion of the annual general meeting at which the appointment is made until the conclusion of the next annual general meeting and can be renewed.

Article 151 The audit fee for an accounting firm shall be determined by an ordinary resolution of General Meeting.

- Article 152** The engagement and dismissal of an accounting firm by the Company shall be decided by the General Meeting, and the Board of Directors shall not engage an accounting firm before any resolution made by an ordinary resolution of the General Meeting.
- Article 153** The Company guarantees that the accounting documents, account books, financial and accounting reports, and other accounting materials provided to the accounting firm are authentic and complete. The Company shall not refuse to provide or conceal information and shall not provide false information.
- Article 154** If the Company proposes to remove the accounting firm or not to renew the appointment thereof, when a general meeting of the Company votes on the dismissal of the accounting firm, the firm shall be allowed to represent its opinions. If the accounting firm resigns, it shall make clear at the General Meeting whether there is any impropriety on the part of the Company.

CHAPTER XIV NOTICE

- Article 155** Notices of the Company may be delivered through the following means:
- (1) By hand;
 - (2) By fax, email or post;
 - (3) By way of publishing information on websites designated by the Company and the Hong Kong Stock Exchange, subject to the laws, administrative regulations and the listing rules of stock exchange of the places where the Company's shares are listed;
 - (4) By way of announcement;
 - (5) By any other means as agreed by the Company or the recipient or as accepted by the recipient after the notice is received;
 - (6) By any other means as approved by the relevant regulatory authorities in the places where the Company's shares are listed or as specified in the Articles of Association.

For notices issued by the Company to the holders of overseas-listed foreign shares by way of announcement, the Company shall on the same day submit its electronic version available for real-time publication to the Hong Kong Stock Exchange through the e-submission system of the Hong Kong Stock Exchange for release on the website of the Hong Kong Stock Exchange in accordance with the local listing rules, or publish an announcement in newspapers (including the publication of an advertisement in newspapers) in accordance with the local listing rules. The announcement shall at the same time also be published on the Company's website.

The Company's holders of overseas-listed foreign shares can, in writing, select to receive corporate communication by electronic means or by mail that the Company shall send to shareholders, and they can also select to receive Chinese or English version only, or both. Shareholders can give written notice in advance to the Company within reasonable time to revise the method and language version of receiving foregoing information under appropriate procedures.

Shareholders or directors who wish to prove that certain notices, documents, information or written statements have been served on the Company shall provide evidence showing the same has been served to the correct address by ordinary means or by prepaid mail within the specified period of time.

Article 156 Unless otherwise specified in the Articles of Association, the various means of sending notices specified in the preceding paragraph shall apply to the notices of general meetings and board meetings convened by the Company.

Article 157 For a notice of the Company delivered by hand, the notice shall be deemed to be received upon signing (or affixing the seal) by the recipient on the note of receipt and the receipt date shall be the date of serve. If the notice is delivered by post, it shall be deemed to have been received after 48 hours from the date the notice is delivered to the post office. If the notice is delivered by way of fax or email or by way of publishing information on websites, it shall be deemed to have been received on the date it is sent or published. If the notice is delivered by way of announcement, it shall be deemed to have been received on the date on which the announcement is first published. Such announcement shall be published on the newspapers that satisfy the relevant requirements.

Article 158 In the event that the listing rules of the stock exchange in the place where the Company's shares are listed stipulate that the Company shall send, post, distribute, issue, announce or otherwise provide relevant documents of the Company in English and Chinese, and if the Company has made appropriate arrangement to confirm whether the shareholders intend to receive either the English or the Chinese version, the Company may (as per the preference stated by the shareholders) only send the English version or the Chinese version to the shareholders concerned to the extent permitted by applicable law and regulations and pursuant to the applicable laws and regulations.

CHAPTER XV MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION OF THE COMPANY

Article 159 The Company may undergo combination in the form of merger or consolidation.

Article 160 One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is merger by establishment of a new entity, and the parties to the merger shall be dissolved.

Article 161 Where the consideration paid for a merger does not exceed 10% of the Company's net assets, the merger may be conducted without a resolution of the general meeting, unless otherwise provided in these Articles of Association.

A merger conducted without a resolution of the general meeting pursuant to the preceding paragraph shall be subject to a resolution of the Board of Directors.

Where the Company undergoes combination, all parties to the combination shall enter into a combination agreement, and prepare balance sheets and property checklists. The Company shall, within 10 days after making the decision of combination, notify the creditors, and shall make a public announcement on newspapers or through the National Enterprise Credit Information Publicity System within 30 days. The creditors may require the Company to repay its debts or provide corresponding repayment guarantees within 30 days after receiving the notices or within 45 days after the announcement if the creditors have not received the notice.

Upon combination, any creditor's rights and indebtedness of the combined parties shall be assumed by the company which survives after the combination or the newly established company.

Article 162 Where the Company undergoes division, the property of the Company shall be divided accordingly.

If undergoing division, the Company shall prepare a balance sheet and a property checklist. After making a resolution on division, the Company shall notify creditors within ten days, and publish an announcement on newspapers or through the National Enterprise Credit Information Publicity System within 30 days.

For the debts of the Company prior to the said division, the Company that survives thereafter shall bear the joint and several liabilities, unless otherwise specified in the written agreement which is concluded before the said division by the Company with its creditors on the settlement of the Company's debts.

Article 163 When the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days and publish an announcement in newspapers or through the National Enterprise Credit Information Publicity System within 30 days after the resolution approving the reduction has been made. The creditors shall have the right to require the Company to repay its debts or provide corresponding repayment guarantees within 30 days after receiving the notices or within 45 days after the announcement if the creditors have not received the notice.

When the Company reduces its registered capital, it shall reduce the capital contribution or shares of shareholders in proportion to their shareholdings, unless otherwise provided by law or these Articles of Association.

Article 164 If the Company still has losses after making up for them in accordance with paragraph 2 of Article 138 of these Articles of Association, it may reduce its registered capital to make up for the losses. Where the registered capital is reduced to make up for losses, the Company shall not make distributions to shareholders, nor shall it exempt shareholders from their obligations to make capital contributions or pay for shares.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 163 under these Articles of Association shall not apply. However, the Company shall announce the reduction in newspapers or through the National Enterprise Credit Information Publicity System within 30 days from the date on which the general meeting passes a resolution to reduce the registered capital.

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

Article 165 If the registered capital is reduced in violation of the Company Law or other relevant regulations, shareholders shall return the funds received, and any reduction or exemption of shareholders' capital contributions shall be reversed; in case of losses caused to the Company, shareholders and responsible directors and senior management shall be liable for compensation.

Article 166 When the Company issues new shares to increase its registered capital, shareholders are not entitled to preemptive rights, unless otherwise stipulated in these Articles of Association or granted by a resolution of the general meeting.

Article 167 The Company shall, in accordance with the law, handle the procedures for change registration with the company registration authority where a change in any registration items arises as a result of any merger or division. In the event of dissolution of the Company, the Company shall handle the procedures for registration of cancellation in accordance with the law. In the event of establishment of a new company, the Company shall handle the procedures for registration of establishment in accordance with the law.

Where the Company increases or reduces its registered capital, the Company shall handle the procedures for change registration with the company registration authority in accordance with the law.

CHAPTER XVI DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 168 The Company shall be dissolved and liquidated according to law in any of the following circumstances. The Company shall be dissolved due to the following reasons:

- (1) the term of business stipulated in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;
- (2) the general meeting resolves to dissolve the Company;
- (3) dissolution is necessary due to a merger or division of the Company;
- (4) the business license is revoked, or the business is ordered to close down or is revoked, in accordance with the law;
- (5) where the Company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss to the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders' voting rights of the Company may present a petition to the People's Court for the dissolution of the Company.

If the Company encounters the cause of dissolution as stipulated in the preceding paragraph, it shall announce the reasons of dissolution through the National Enterprise Credit Information Publicity System within 10 days.

Article 169 In the event of item (1) in Article 168 and the property has not yet been distributed to the shareholders, the Company may continue to exist by amending the Articles of Association or resolution of the general meeting.

When making amendments to the Articles of Association in accordance with the provisions of the preceding paragraph, such amendments shall be passed by more than two thirds of the voting rights held by shareholders present at the general meeting.

Article 170 Where the Company is dissolved under the provisions of items (1), (2), (4), (5) in Article 168, it shall be liquidated. Directors shall be the persons responsible for liquidation of the Company and shall establish a liquidation committee within 15 days as of the dissolution circumstance arises, and the liquidation shall be performed.

The liquidation committee shall be composed of Directors, unless otherwise provided in these Articles of Association or unless the general meeting resolves to elect other persons.

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 171 The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (2) to notify the creditors and make announcements;
- (3) to deal with and settle the outstanding business of the Company;
- (4) to pay all outstanding taxes and taxes arising in the course of liquidation;
- (5) to settle claims and debts;
- (6) to deal with the surplus assets of the Company after its debts have been paid off;
- (7) to participate in civil lawsuits on behalf of the Company.

Article 172 The liquidation committee shall notify creditors within ten days after its establishment and shall make announcements in newspapers or through the National Enterprise Credit Information Publicity System within 60 days. A creditor shall lodge his/her claim with the liquidation committee within 30 days after receiving the notice or within 45 days after the date of announcement if he/she did not receive the notice.

When declaring their claims, the creditors shall explain the matters related to their claims and provide supporting materials. The liquidation committee shall register the creditor's rights.

During the period of declaration of claims, the liquidation committee shall not settle any debts to creditors.

Article 173 Upon liquidation of the Company's properties and the preparation of the balance sheet and inventory of assets, the liquidation committee shall draw up a liquidation plan and submit it to the general meeting, the relevant competent authority or the People's Court for confirmation.

The remaining assets of the Company after payment of liquidation expenses, wages, social insurance expenses and statutory compensation of employees, outstanding taxes and the Company's debts shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The assets of the Company shall not be distributed to the shareholders before the settlements are made in accordance with the above provisions.

Article 174 The liquidation committee, having thoroughly examined the Company's assets and having prepared a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to pay its debts in full, it shall apply to the People's Court for a declaration of insolvency liquidation in accordance with law.

After the People's Court accepts the bankruptcy application, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

Article 175 Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report to be submitted to the general meeting or the People's Court for confirmation, and then submit it to the company registration authority applying for cancelation of the Company's registration.

Article 176 The members of the liquidation committee shall perform their liquidation obligations and bear duties of loyalty and diligence.

Any member of the liquidation committee shall bear the liability for damages suffered by the Company due to their negligence to perform the obligations of liquidation; any member of the liquidation committee shall indemnify the creditors for the losses arising from his/her intentional or gross negligence.

Article 177 Where the Company is declared bankrupt in accordance with the laws, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

CHAPTER XVII AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 178 The Company may amend the Articles of Association in accordance with the laws, administrative regulations and the Articles of Association.

The Company will amend the Articles of Association in any of the following circumstances:

- (1) after the amendment to the Company Law or any other relevant law or administrative regulation, any provision of the Articles of Association is in conflict with the amended law or administrative regulation;
- (2) any change of the Company results in inconsistency with the relevant provisions of the Articles of Association;
- (3) the general meeting decides to amend the Articles of Association.

Article 179 The following procedures shall be followed in the event of amending the Articles of Association:

- (1) a resolution in respect of amending the Articles of Association shall be passed at the meetings of the Board in the first place and then the proposed amendments to the Articles of Association shall be drawn up;
- (2) the proposed amendments to the Articles of Association shall be put to a vote at the general meeting convened by the Board;
- (3) the proposed amendments to the Articles of Association shall be passed at the general meeting by way of special resolution;

- (4) the amended Articles of Association shall be submitted by the Company to the company registration authority for filing purpose.

Article 180 The amendments to the Articles of Association, if there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes in accordance with law. The Board shall amend the Articles of Association in accordance with the resolution of the general meeting in respect of amending the Articles of Association and the approval of the relevant competent authorities. Amendments to the Articles of Association are information required to be disclosed by laws and regulations and shall be announced in accordance with the provisions.

CHAPTER XVIII SUPPLEMENTARY PROVISIONS

Article 181 In the Articles of Association, the term “accounting firm(s)” has/have the same meaning as the term “auditor(s)”.

In the Articles of Association, a “de facto controller” refers to a natural person, legal person or other organization that actually possesses the power to direct the acts of the Company through investment, contract or other arrangement.

In the Articles of Association, the terms “more than”, “within” and “below” shall all include the given figure; the terms “over”, “beyond”, “higher” and “other than” shall all exclude the given figure.

In the Articles of Association, a “connected transaction” has the meaning ascribed to it by the Hong Kong Listing Rules.

In the Articles of Association, a “general manager”, a “deputy general manager”, the “responsible financial officer” refers to the Company’s president, vice president and chief financial officer, respectively. In the Company’s internal management system, the meanings of president and vice president are the same with that of general manager and deputy general manager and the chief financial officer and responsible financial officer shall have the same meaning in the Articles of Association.

In the Articles of Association, the term “RMB” refers to renminbi Yuan, the lawful currency of the People’s Republic of China.

In the Articles of Association, the term “laws and regulations of the PRC” refers to all the laws, regulations, rules and orders, including decrees, statutory laws or other legislative measures and regulations, rules, treaties, directives and government decrees, issued by the legislative, judicial and governmental agencies of the People’s Republic of China.

Article 182 The Articles of Association are written in Chinese. In case of any discrepancy between the Articles of Association in any other language and the Articles of Association, the Chinese version shall prevail.

Article 183 In the event of any conflict between the Articles of Association and any prior agreement between the shareholders of the Company, the Articles of Association shall prevail. In the event that the Articles of Association are in conflict with the laws, administrative regulations, other relevant regulatory documents and the listing rules of the place where the shares of the Company are listed as issued from time to time, such laws, administrative regulations, other relevant regulatory documents and the listing rules of the place where the shares of the Company are listed shall prevail.

Article 184 The Board of the Company shall be responsible for the interpretation of the Articles of Association.

Article 185 Annexes to the Articles of Association include the Rules of Procedure for General Meeting and the Rules of Procedure of the Board of Directors.

Article 186 The Articles of Association shall take effect and come into force from the date when they are considered and approved by the general meeting.

(There is no text on the page below)