



*(A joint stock company incorporated in the People's Republic of China with limited liability
under the Chinese corporate name “东方证券股份有限公司” and carrying on business
in Hong Kong as “東方證券” (in Chinese) and “DFZQ” (in English))*

ARTICLES OF ASSOCIATION

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Chapter 1 General

Article 1 In order to safeguard the legitimate rights and interests of ORIENT SECURITIES COMPANY LIMITED (hereinafter referred to as the “Company”), its shareholders and creditors thereof, to regulate the organization and acts of the Company, the Articles of Association is 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 Rules for Governance of Securities Companies, the Guidelines for the Articles of Association of Listed Companies, the Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) (hereinafter referred to as the “**Special Provisions**”), the Reply of the State Council on the Adjustment of the Notice Period of the General Meetings and Other Matters Applicable to Overseas Listed Companies (《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》), the Letter of Opinions on Supplements and Amendment to these Articles of Association of Companies Listed in Hong Kong (《關於到香港上市公司對公司章程作補充修改的意見的函》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (《香港聯合交易所有限公司證券上市規則》) (hereinafter referred to as the “**Hong Kong Listing Rules**”), and other relevant provisions.

Article 2 The Company was registered with Shanghai Administration for Industry and Commerce, in accordance with the Company Law, the Securities Law and other applicable regulations and upon the approval of Zheng Jian Ji Gou Zi (2003) No. 184 (證監機構字 (2003) 184 號文) of the China Securities Regulatory Commission (hereinafter referred to as the “**CSRC**”) and Hu Fu Ti Gai Shen (2003) No. 004 (滬府體改審 (2003) 004 號文) of the Shanghai Municipal People’s Government, with its name changing from “東方證券有限責任公司” to “東方證券股份有限公司” and obtained its business license (Registration No.: 310000000092649).

Article 3 Upon approved by the CSRC on February 27, 2015, the Company initially issued 1,000,000,000 RMB ordinary shares to the public and the Company was listed on Shanghai Stock Exchange on March 23, 2015. Upon approved and verified by the CSRC on May 13, 2016, the Company issued 933,709,090 overseas listed foreign shares (H shares) and listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “**Hong Kong Stock Exchange**”) on July 8, 2016.

Article 4 Registered Name of the Company:

Chinese Name: 東方證券股份有限公司

English Name: ORIENT SECURITIES COMPANY LIMITED

Article 5 The address of the Company: Orient Securities Building, No. 119, South Zhongshan Road, Shanghai; Postal code: 200010; Telephone number: 021-63325888; Fax number: 021-63326010.

Article 6 The registered capital of the Company is RMB8,496,645,292.

Article 7 The Company is a joint stock company with limited liability with no definite term of existence.

Article 8 The chairman of the Board of Directors of the Company shall be the legal representative of the Company.

Article 9 All the assets of the Company are divided into shares of equal par value. Each shareholder shall be liable to the Company to the extent of the shares as held by such shareholder. The Company is liable for its debts to the extent of all of its assets.

Article 10 The Company shall, in accordance with the relevant provisions of the Constitution of the Chinese Communist Party and the Company Law, establish the organizations of the Chinese Communist Party and carry out party activities. The party organisation is an integral part of the corporate governance structure of the Company. The Party Committee plays a leading role in setting the direction, managing the overall situation and ensuring implementation of relevant rules, and supports the general meeting, the Board of Directors, the Supervisory Committee and the management in exercising their powers in accordance with relevant laws. Study and discussion by the Company's Party Committee of major issues is a prerequisite procedure for any decision-making by the Board of Directors and the management on such issues. The Board of Directors and the management shall take into account the views of the Party Committee before making decisions on major issues of the Company, especially those involving national macro-control, national development strategy, national security and other major management matters, and the Board of Directors and the management shall make decisions according to study and discussion with Party Committee.

Article 11 From the date when it comes into effect, the Articles of Association shall be a legally binding document that regulates the Company's organization and actions, governs the rights and obligations between the Company and its shareholders and amongst the shareholder themselves, and shall constitute a legally binding document governing on the Company, its shareholders, Directors, Supervisors, senior management. The aforesaid personnel shall be entitled to claim their rights on matters relating to the Company in accordance with the Articles of Association. Pursuant to the Articles of Association, a shareholder may take legal actions against the Company or other shareholders, and the shareholders may take legal actions against the Company's Directors, Supervisors, President and other senior management. Pursuant to the Articles of Association, the Company may take action against its shareholders, Directors, Supervisors, President and other senior management.

For the purpose of the preceding paragraph, the term "take legal actions" shall include the initiation of proceedings in a court or application to an arbitration institution for arbitration.

Article 12 Other senior management referred to in the Articles of Association include the Vice President, Chief Financial Officer, Chief Risk Officer, Chief Compliance Officer, the Secretary to the Board of Directors of the Company and other persons who have been resolved by the Board of Directors to hold important positions with qualifications stipulated by laws and regulations and the CSRC.

Chapter 2 Objectives and Scope of Business

Article 13 The objectives of business of the Company are to operate in accordance with national laws, regulations, guidelines and policies, implement the development concepts of innovation, coordination, green, openness and sharing, actively practice the culture and core values of the securities industry, focus on the implementation of national strategies, support the development of the real economy, provide wealth management services to the society, actively fulfill its corporate social responsibility, continuously improve the governance structure with specific duties for each position and effective checks and balances, protect the legitimate rights and interests of investors and stakeholders and seek to maximize the long-term interests of shareholders.

Article 14 The business scope of the Company is: licensed items: securities business; securities investment advisory; securities firms providing intermediary services for futures firms. General items: securities financial advisory service. The business scope of the Company must conform to the items approved by the company registration authority.

The Company shall conduct all business within the business scope approved by the securities regulatory authority as well as other businesses approved by the securities regulatory authority.

Article 15 Within the scope permitted by laws and regulations, the Company may invest in other limited liability companies, joint-stock limited companies or other entities, and shall assume responsibilities subject to the capital commitment of the Company. The Company can establish wholly-owned subsidiaries or set up subsidiaries with other investors through joint contributions.

With the approval of CSRC, the Company may set up subsidiaries to engage in private investment fund business. The Company may set up subsidiaries to engage in financial products, equity and other alternative investment businesses other than those listed in the List of Securities Proprietary Investment Varieties of Securities Companies or a subsidiary engaging in other businesses as permitted by the securities regulatory authority.

Article 16 The objectives of cultural construction of the Company are to promote the culture and core values of the securities industry of “compliance, integrity, professionalism and stability”, adhere to the concept of sustainable development, persist in in-depth integration with corporate governance, development strategies, development methods and codes of conduct, insist on organic integration with comprehensive human development, inheritance of history and culture, Party building requirements and professional capability building, lead the high-quality development of the Company and contribute to building a first-class modern investment bank.

Article 17 The Company shall establish a comprehensive corporate governance system to provide an effective mechanism for cultural construction. It shall establish a scientific and reasonable performance appraisal remuneration management system, and incorporate integrity, compliance and honest practice as well as practice of cultural concepts of the industry and the Company into performance appraisal and remuneration management.

Article 18 The objectives of the Company's integrity management are to fully leverage the political leadership of the Party building in guiding integrity practices, establish and improve the rules and regulations and internal control mechanism for integrity practices, effectively identify, assess and prevent the integrity risks, strengthen the personnel management and accountability mechanism, continuously promote the development of the Company's culture of integrity and professional ethics, and uphold the ethical standards in the securities industry, fulfill the Company's social responsibility, and thereby providing a strong support for the Company's high-quality development.

The general requirements of the Company's integrity in professional conduct are that the Company and its employees strictly abide by relevant laws, regulations, regulatory requirements and self-regulatory provisions, adhere to social ethics, business ethics, professional ethics and codes of conduct, and adhere to fair competition, compliant operation, faithfulness and diligence, honesty and trustworthiness in the course of carrying out securities business and related activities, neither transferring improper benefits to others nor seek improper benefits.

Chapter 3 The Party Organization

Article 19 The Company shall establish a Party Committee with a term of office of five years in general. The Party Committee of the Company shall consist of one secretary, a full-time or part-time deputy secretary and several other members. Adhering to the leadership mechanism of "two-way entry and cross-appointment", eligible members of the Party Committee may be appointed to join the Board of Directors, the Supervisory Committee and the management through legal procedures, and eligible Party members in the Board of Directors, the Supervisory Committee and the management may be appointed to join the Party Committee in accordance with relevant regulations and procedures. The Party Committee of the Company shall implement a system that combines collective leadership and individual division of responsibilities. Members of the Party Committee who join the Board, the Supervisory Committee and the management must implement the decisions of the Party Committee of the Company.

In accordance with the Constitution of the Chinese Communist Party, the Work Regulations for Grassroots Organizations of the Communist Party of China in State-owned Enterprises (for Trial Implementation) and relevant regulations of the Party, the Company shall set up grass-roots Party organisations in various grass-roots units.

Article 20 The Party Committee of the Company shall discuss and decide on major matters of the Company in accordance with provisions of the Constitution of the Chinese Communist Party and the Work Regulations for Grassroots Organizations of the Communist Party of China in State-owned Enterprises (for Trial Implementation).

The grass-roots Party organisations at various levels shall fulfil their related duties and responsibilities and carry out relevant work in accordance with the provisions of the Constitution of the Chinese Communist Party and the Work Regulations for Grassroots Organizations of the Communist Party of China in State-owned Enterprises (for Trial Implementation), as well as the deployment of the Party Committee of the Company.

Article 21 The Company shall establish working organs of the Party, which shall be equipped with sufficient full-time or part-time staff to deal with Party affairs. It shall promote two-way communication between Party affairs staff and other management personnel. It shall be provided with sufficient funds to operate the Party organization and be provided with necessary conditions for the activities of Party organization.

Chapter 4 Shares

Section 1 Issuance of Shares

Article 22 The stock of the Company shall take the form of shares.

The Company shall have common shares at all times. With the approval of the department authorized by the State Council, the Company may have other forms of shares when needed.

Article 23 The Company shall issue shares in an open, fair and just manner, and each share of the same class shall have the same rights.

All shares of the same class issued at the same time shall be issued under the same conditions and at the same price, and every share purchased by any entity or individual shall be at the same price.

Article 24 All the shares issued by the Company shall have a par value denominated in Renminbi of RMB1 per share.

Article 25 Upon approval by the securities regulatory authority of the State Council or other relevant regulatory authorities, the Company may offer its shares to both domestic and foreign investors.

The term “foreign investors” mentioned in the preceding paragraph refers to such investors from foreign countries or Hong Kong Special Administrative Region, Macau Special Administrative Region or Taiwan, who subscribe for shares issued by the Company. The term “domestic investors” refers to such investors in the PRC, excluding the abovementioned regions, who subscribe for the shares issued by the Company.

The shares issued by the Company to domestic investors and other qualified investors for subscription in Renminbi shall be referred to as “domestic shares”. The domestic shares listed in domestic exchanges shall be referred to as “A Shares”. The shares issued by the Company to foreign investors for subscription in foreign currency shall be referred to as “foreign shares”. The foreign shares that are listed overseas shall be referred to as “overseas listed foreign shares” (H Shares).

Each class of shareholders of the Company shall have the same rights in dividend distributions or any other forms of distributions.

Subject to the approval of the securities regulatory authorities of the State Council, the holders of domestic shares of the Company may transfer the shares held by them to foreign investors, and such shares may be listed or traded on overseas stock exchange. The transferred shares listed or traded on an overseas stock exchange, shall comply with the regulatory procedures, rules and requirements of the relevant overseas securities markets as well. The listing and trading of such transferred shares on the overseas stock exchange do not require a voting at any shareholders class meeting.

Article 26 The Company was approved to issue a total of 2,139,791,800 ordinary shares upon its establishment and all the promoters contributed their capital in 2003. The existing name of each promoter, the number of shares initially subscribed for, the methods of capital contribution and the shareholding percentage are as follows:

	Name of Promoters	Number of shares subscribed (share)	Percentage	Method of capital contribution
1	Shenergy (Group) Company Limited	603,335,458	28.20%	Assets and cash
2	Shanghai Tobacco Group Co, Ltd.	213,979,180	10.00%	Assets and cash
3	Shanghai United Media Group	200,000,000	9.35%	Cash
4	Shanghai Mexan Enterprise Development (Group) Limited	170,000,000	7.94%	Cash
5	Shanghai Jiushi (Group) Co., Ltd.	163,979,180	7.66%	Assets and cash
6	Shanghai Post Company (上海市郵政公司)	113,979,180	5.33%	Assets
7	Shanghai Electric (Group) Company Limited	113,979,180	5.33%	Assets
8	Greatwall Information Industry Co., Ltd.	100,000,000	4.67%	Cash
9	Shanghai Jinqiao Export Processing Zone Development Co., Ltd.	79,785,426	3.73%	Assets
10	Shanghai Construction Group Co., Ltd.	64,193,754	3.00%	Assets and cash
11	Shanghai Educational Development Co., Ltd.	56,989,590	2.66%	Assets
12	Greenland Holding Group Company Limited (綠地控股集團有限公司)	56,989,590	2.66%	Assets
13	Shanghai Gaoyuan Property (Group) Co., Ltd. (上海高遠置業(集團)有限公司)	50,000,000	2.34%	Cash
14	Shanghai Land Minhong Real Estate Company (上海地產閔虹置業公司)	34,193,754	1.60%	Assets
15	Shanghai Taiyu Group Co., Ltd.	30,000,000	1.40%	Cash
16	Shanghai Transportation Investment (Group) Co., Ltd.	22,795,836	1.07%	Assets
17	Weida Hi-Tech Holding Co., Ltd.	20,000,000	0.93%	Cash
18	Shanghai Join Buy Co., Ltd.	17,096,877	0.80%	Assets
19	Shanghai International Trade & Investment Developing Co., Ltd. (上海市外經貿投資開發有限公司)	17,096,877	0.80%	Assets
20	Shanghai Bailian Group Co., Ltd. (上海百聯集團股份有限公司)	11,397,918	0.53%	Assets
	Total	<u>2,139,791,800</u>	<u>100.00%</u>	

Article 27 The total number of shares of the Company is 8,496,645,292 shares, and the shareholding structure of the Company is: 7,469,482,864 ordinary shares denominated in Renminbi and 1,027,162,428 overseas listed foreign shares.

Article 28 For any issuance plans for offering of overseas listed foreign shares and domestic shares by the Company as approved by the securities regulatory authorities under the State Council, the Board of Directors may make arrangements for separate issuance.

The respective plans of the Company for issuance of overseas listed foreign shares and domestic shares in accordance with the preceding paragraph may be implemented separately within 15 months upon the approval by the securities regulatory authorities under the State Council.

Article 29 If the Company separately issues overseas listed foreign shares and domestic shares within the total number specified in the issuance plans, the said shares shall be issued respectively at one time. If it is impossible for the shares to be issued at one time for special reasons, the shares may be issued several times upon approval by the securities regulatory authority under the State Council.

Section 2 Increase, Decrease and Repurchase of Shares

Article 30 Upon approval by separate resolution of the shareholders' general meeting, the Company may, based on its operation and development needs and in accordance with applicable laws and regulations, increase its capital by way of:

- (1) public offering of shares;
- (2) non-public offering of shares;
- (3) placing new shares to existing shareholders;
- (4) offering bonus shares to existing shareholders;
- (5) capitalization of surplus reserve into share capital;
- (6) by other means as prescribed by laws, administrative regulations or as approved by relevant regulatory authorities.

The increase of capital of the Company by issuing new shares shall be subject to approval as specified in the Articles of Association and follow the procedures specified by relevant laws and administrative regulations of the PRC.

Article 31 The Company may reduce its registered capital. The reduction of registered capital shall be made in accordance with the Company Law and other relevant regulations as well as procedures stipulated in the Articles of Association.

Article 32 The Company may, in the following circumstances, repurchase shares of the Company:

- (1) reducing the registered capital of the Company;
- (2) merging with other companies holding shares of the Company;
- (3) using the shares in the employee share ownership plan or as share incentive;
- (4) shareholders objecting to resolutions of the shareholders' general meeting concerning merger or division of the Company requesting the Company to repurchase their shares;
- (5) using the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the Company;
- (6) safeguarding corporate value and shareholders' equity as the Company deems necessary;
- (7) other circumstances approved by laws, administrative regulations and the securities regulatory authority in the place where the Company's shares are listed.

The Company shall not trade its shares unless in the aforesaid circumstances. Any purchase of the shares of the Company under provisions set out in Clauses (1) and (2) referred to above shall be resolved at a shareholders' general meeting; any purchase of the shares of the Company under provisions set out in Clauses (3), (5) and (6) referred to above shall be resolved by the Board's meeting where over two-thirds of the directors are present.

Where the laws, administrative regulations, departmental rules, provisions of the Articles of Association and securities regulatory authorities of the listing places of the Company provide otherwise in terms of the matters involved in share repurchase, such relevant provisions thereof shall prevail.

Article 33 Where the Company repurchases its shares, it shall fulfill the obligations of information disclosure pursuant to the Securities Law and relevant laws and regulations. Where the Company repurchases its shares pursuant to clauses (3), (5) and (6) of Article 32, it shall be conducted through open and centralized transactions. In addition, the Company may repurchase its shares in any of the following ways:

- (1) making a general offer to repurchase shares from all shareholders on a pro rata basis;
- (2) repurchasing shares through open transactions in the stock exchange;
- (3) repurchasing shares based on an off-market agreement;
- (4) in other forms approved bylaws, administrative regulations and competent authorities.

Article 34 When repurchasing shares based on an off-market agreement, the Company shall obtain prior approval at the shareholders' general meeting in accordance with the Articles of Association. Where prior approval has been obtained from the shareholders in a shareholders' general meeting in the same manner, the Company may release or modify the contracts entered into in the aforesaid manner or waive any rights granted under such contracts.

The contracts for repurchasing shares referred to in the preceding paragraph include (but not limited to) contracts whereby repurchase obligations are undertaken and repurchase rights are acquired.

The Company shall not assign a contract for the repurchase of its own shares or assign any of its rights contained thereunder.

In respect of the redeemable shares that the Company has the right to repurchase, in the event that such shares are not repurchased on the market or by bidding, the price shall be limited to a maximum price; in the event that such shares are repurchased by bidding, such offer shall be made available to all shareholders equally on the same terms.

Article 35 After repurchasing its shares according to the aforesaid provisions, where it is in the circumstance stated in Clause (1) in Article 32 of the Articles of Association, the Company shall cancel such shares within ten days from the date of repurchase; where it is in the circumstances stated in Clause (2) or Clause (4), the Company shall transfer or cancel such shares within six months; in case of circumstances set out in clauses (3), (5) and (6), the total shares held by the Company shall not exceed 10% of the total shares issued by the Company, and such shares shall be transferred or cancelled within 3 years. Where the registered capital is changed, the Company shall register the change of the registered capital with the company registration authority. The total par value of the cancelled shares shall be reduced accordingly from the registered capital of the Company.

Article 36 Except where the Company is in course of liquidation, it must comply with the following provisions in repurchasing its issued and outstanding shares:

- (1) Where the Company repurchases shares at their par value, the amount of total par value shall be deducted from the book balance of distributable profits or out of the proceeds of a new issuance of shares made to repurchase the old shares;
- (2) Where the Company repurchases shares at a price higher than their par value, the portion corresponding to their par value shall be deducted from the book balance of distributable profits of the Company or out of the proceeds of a new issue of shares made to buy back the old shares; and the portion in excess of the par value shall be handled according to the following methods:
 - (i). Where the shares repurchased were issued at their par value, the amount shall be deducted from the book balance of distributable profits of the Company;

- (ii). Where the shares repurchased were issued at a price higher than their par value, the amount shall be deducted from the book balance of distributable profits of the Company or from the proceeds of a new issuance of shares made to repurchase the old shares; provided that the amount deducted from the proceeds of the new issuance of shares shall not exceed the total premium obtained at the time of issuance of the old shares so repurchased nor exceed the amount in the Company's capital common reserve account (including the premium from the new issuance of shares) at the time of repurchase;
- (3) Payments by the Company in consideration for the following purposes shall be made out of the Company's distributable profits:
 - (i). Acquisition of the right to repurchase its own shares;
 - (ii). Amendments to any contract for the repurchase of its own shares;
 - (iii). Release from any of its obligations under any repurchase contract.
- (4) After the aggregate par value of the cancelled shares has been deducted from the registered capital of the Company in accordance with relevant regulations, that portion of the amount deducted from the distributable profits and used to repurchase shares at the par value of the repurchased shares shall be included in the Company's capital common reserve account.

Where the laws, regulations, rules, normative documents and relevant provisions of the securities regulatory authority at the location where the Company's shares are listed have any other provisions in respect of the financial arrangement relating to the aforesaid share repurchase, such provisions shall prevail.

Section 3 Transfer of Shares

Article 37 Unless otherwise specified by laws and administrative regulations and relevant provisions of the securities regulatory authorities at the locations where the Company's shares are listed, shares of the Company may be transferred freely and without any liens. Transfer of overseas listed foreign shares listed in Hong Kong shall be registered with the share registry in Hong Kong appointed by the Company.

Article 38 All fully paid overseas listed foreign shares listed on the Hong Kong Stock Exchange may be transferred freely in accordance with the Articles of Association. However, the Board of Directors may refuse to recognize any instrument of transfer without stating any reasons unless the following conditions are satisfied:

- (1) instrument of transfer and any other documents related to the ownership of any shares or likely to affect the ownership of any shares shall be registered, and payment shall be made to the Company for such registration according to the standard expenses stipulated by the Hong Kong Listing Rules and the expense shall not exceed the highest amount stipulated by the Hong Kong Listing Rules from time to time;

- (2) the instrument of transfer only involves the overseas listed foreign shares listed on the Hong Kong Stock Exchange;
- (3) the stamp duty required by the laws of Hong Kong for the instrument of transfer has been paid;
- (4) the relevant share certificate and evidence reasonably required by the Board of Directors showing that the transferor has the right to transfer such shares shall be provided;
- (5) in the event that the shares are to be transferred to joint holders, the number of joint shareholders registered shall not exceed four;
- (6) the relevant shares are free from all liens of the Company.

In the event that the Board of Directors refuses to register the transfer of shares, the Company shall send a notice concerning the refusal of the registration of such share transfer to transferor and transferee, within two months from the date when the application for share transfer is officially submitted.

Article 39 All transfers of overseas listed foreign shares listed in Hong Kong shall be effected by instruments of transfer in writing in an ordinary or usual form or in any other form acceptable to the Board of Directors (including the standard transfer format or form of transfer specified by the Hong Kong Stock Exchange from time to time); the instruments of transfer may be signed by hand only or (where the transferor or transferee is a corporation) by the seal of the company. Where the transferor or transferee is a recognized clearing house (“**Recognized Clearing House**”) as defined by relevant regulations in Hong Kong laws from time to time, or its nominee, the form of transfer may be signed by hand or in a machine-imprinted format.

All instruments of transfer shall be maintained at the statutory address of the Company or such places as the Board of Directors may specify from time to time.

Article 40 The Company shall not accept its own shares as pledge object.

Article 41 The shares of the Company held by the promoters shall not be transferred within one year after incorporation of the Company. Domestic shares issued by the Company before public offering shall not be transferred within one year after the shares of the Company are listed on the Shanghai Stock Exchange.

The transfer of the Company’s shares held by shareholders holding more than 5% of shares of the Company, the actual controller, directors, supervisors and senior management members, as well as other shareholders holding shares offered by the Company prior to the initial public offering or shares offered by the Company to specific investors shall not violate any laws, administrative regulations, and the provisions issued by the securities regulatory authority of the State Council on the holding period, time of disposal, number of shares sold, method of disposal and information disclosure, and shall comply with the business rules of the stock exchange.

The Directors, Supervisors, President and other senior management of the Company shall, in their terms of office, timely report to the Company about their shareholdings and changes thereof and shall not transfer more than 25% of their shares per annum during their terms of office (except for changes of shares due to judicial enforcement, inheritance, bequest, properties division according to laws). Shares of the Company held by them shall not be transferred within one year after the shares of the Company are listed on the Shanghai Stock Exchange and within 6 months after they terminate service with the Company.

Article 42 If the Directors, Supervisors, senior management of the Company and shareholders holding more than 5% of the shares of the Company sell shares or other securities of equity nature within 6 months after buying the same or buy shares or other securities of equity nature within 6 months after selling the same, the gains arising therefrom shall belong to the Company and the Board of Directors of the Company will recover the said gains. However, the restriction shall not apply to a securities firm which holds 5% or more of the Company's shares as a result of its purchasing of the untaken shares in an offer and other circumstances stipulated by the securities regulatory authority under the State Council.

The shares or other securities of equity nature held by any Director, Supervisor, senior management or individual shareholder referred to in the preceding paragraph include the shares or other securities of equity nature held by their spouses, parents and children, and any of the above which is indirectly held in others' accounts.

Where the Board of Directors of the Company does not comply with the provision of the first paragraph, the shareholders are entitled to request the Board of Directors to do so within 30 days. Where the Board of Directors does not do so within the said period, the shareholders are entitled to commence litigations in the people's court in their own names for the interests of the Company.

Where the Board of Directors of the Company does not enforce the provision of the first paragraph of this Article, the accountable directors shall assume joint and several responsibilities in accordance with the laws.

Section 4 Matters Regarding Equity Administration

Article 43 The Chairman of the Company is the first responsible person for the Company's equity administration affairs. The secretary to the Board of the Company assists the Chairman and is the direct responsible person for the Company's equity administration affairs.

The office of the Board of the Company is the department responsible for the Company's equity administration affairs, and organizing the implementation of equity administration affairs.

Article 44 Shareholders of the Company shall have full knowledge of shareholders' rights and obligations, fully understand the operating management condition, potential risks and other information of the Company, have reasonable investment expectation and truthful willingness to make capital contributions, and perform the necessary internal decision-making procedures.

Article 45 The shareholding period of a shareholder shall comply with laws, administrative regulations and relevant provisions of CSRC, which provides that the shareholding period may be calculated in continuance if shareholders acquire equity in another securities company by way of share swap, etc.

If the major assets of a shareholder of the Company are equities in the Company, the controlling shareholders and actual controllers of the shareholder shall be subject to the same lock-up period as the shareholders of the Company with respect to the shares of the Company under their control, except for the cases approved by the CSRC in accordance with relevant laws.

Article 46 Shareholders shall not pledge the equities held by them in the Company during the lockup period. Upon expiration of the lock-up period, the equities pledged by shareholders shall not exceed 50% of the proportion of equities held by them in the Company.

The shareholders' pledge of their equities in the Company shall not harm the interests of other shareholders and the Company, agree with the exercise of shareholders' rights such as voting rights by the pledgee or other third parties, and transfer the control over the Company's equities in disguise.

The provisions of the first paragraph of this Article shall not apply to shareholders holding less than 5% of the shares.

Article 47 The shareholders of the Company and their controlling shareholders and actual controllers shall not have the following conducts:

- (1) making false or untrue capital contributions, withdrawing or withdrawing in disguise capital contributions;
- (2) interfering the operation and management of the Company in violation of laws, administrative regulations or requirements stipulated by the AOA;
- (3) abusing their rights or influence to occupy the assets of the Company or customers for the purpose of interest transit, which causes harm to the lawful rights and interests of the Company, other shareholders or customers;
- (4) requesting, in violation of requirements, the Company to provide financing or guarantee to them or their related parties, or to force, instruct, assist or accept the financing or guarantee provided by the securities companies with the assets of its securities brokerage customers or securities asset management customers;
- (5) conducting improper related party transactions with the Company, and obtaining improper benefits by taking advantage of its influence on the Company's operation and management;
- (6) entrusting others or accepting entrustment from others to hold or manage the Company's equity, and to accept or transfer the control over the Company's equity in a disguised manner without obtaining approval; and
- (7) engaging in any other actions as prohibited by CSRC.

The Company, its directors, supervisors, senior management and relevant subjects shall not cooperate with the shareholders of the Company and their controlling shareholders and actual controllers to make the circumstances mentioned above happen.

In the event the Company notices that the shareholders and their controlling shareholders and actual controllers involved in the above circumstances, it shall take timely measures to prevent such violation from aggravating and report it to the branches of CSRC at the places where the Company is domiciled within two business days.

Article 48 In case of any illegal or improper behaviors related to equity management affairs in violation of laws, administrative regulations and regulatory requirements, shareholders, the Company, persons responsible for equity affairs and relevant personnel shall bear corresponding responsibilities in accordance with the Company Law, Regulations on Equity Administration of Securities Companies and other relevant laws, regulations and normative documents.

Section 5 Financial Assistance for Purchase of the Company's Shares

Article 49 The Company or its subsidiaries shall not at any time or in any form provide any financial assistance to purchasers or potential purchasers of the Company's shares for the purpose of the purchase or potential purchase of the Company's shares. The aforesaid purchasers include persons directly or indirectly undertaking obligations because of the purchase of the Company's shares.

The Company or its subsidiaries shall not at any time or in any form provide any financial assistance to the aforesaid obligors for the purpose of reducing or discharging their obligations for the purchase or potential purchase of the Company's shares.

The provisions of this Article shall not apply to the circumstances described in Article 51 of these Articles of Association.

Article 50 The term "financial assistance" mentioned in this chapter of the Articles of Association shall include (but not limited to) the financial assistance in the forms set out below:

- (1) gifts;
- (2) payment in advance;
- (3) guarantee (including the undertaking of liability or provisions of property by the guarantor in order to secure the performance of the obligation by the obligator), indemnity (not including, however, indemnity arising from the Company's own fault) and release or waiver of rights;
- (4) provision of a loan or conclusion of a contract under which the obligations of the Company are to be fulfilled prior to the obligations of the other party to the contract, or a change in the party to such loan or contract as well as the assignment of rights under such loan or contract;
- (5) financial assistance in any other form when the Company is insolvent or has no net assets or when such assistance would lead to a significant reduction in the net assets of the Company.

For the purpose of this Article, the term “undertake obligations” shall include the undertaking of an obligation by the obligator by concluding a contract or making an arrangement or by changing its financial position in any other way, whether or not such contract or arrangement is enforceable and whether or not such obligation is assumed by the obligator individually or jointly with any other person.

Article 51 The acts listed below shall not be regarded as the acts prohibited under Article 49 of the Articles of Association:

- (1) the Company provides the relevant financial assistance in the interest of the Company in good faith, and the main purpose of said financial assistance is not to purchase the Company’s shares, or said financial assistance is a part of a general plan of the Company;
- (2) the Company distributes its properties as dividends in accordance with the laws;
- (3) the Company distributes shares as dividends;
- (4) the Company reduces its registered capital, repurchases its shares or adjusts the shareholding structure in accordance with the Articles of Association;
- (5) the Company provides a loan for its normal business operations within its scope of business (but such financial assistance shall not give rise to a decrease in the net assets of the Company, or, despite a decrease, such financial assistance is made out of the distributable profits of the Company);
- (6) the Company provides funds for employee stock ownership plan (but such financial assistance shall not give rise to a decrease in the net assets of the Company, or, despite a decrease, such financial assistance is made out of the distributable profits of the Company).

Section 6 Share Certificates and Register of Shareholders

Article 52 The Company’s share certificates are in registered form which shall include the followings:

- (1) the name of the Company;
- (2) the date of incorporation of the Company;
- (3) the class and par value of the shares and the number of shares represented by the certificate;
- (4) the serial number of the share certificate;
- (5) other particulars required by the Company Law and the securities regulatory authorities in the places where the Company’s shares are listed.

For non-voting shares in the share capital of the Company, the words “non-voting” shall be in their designation;

In the case that the share capital includes shares carrying different voting rights, the words “restricted voting right” or “limited voting right” shall be in the designation of each class of shares (except for shares with the most privileged voting rights).

The Company may issue certificates of overseas listed foreign shares in the form of foreign depository receipts or other derivatives in accordance with the laws and the practice of registration and deposit of securities in the place of its listing.

During the listing of the H Shares on the Hong Kong Stock Exchange, the Company shall ensure that the following statements are included in the H Share documents and shall instruct and procure its share registrar to reject the registration of the subscription, acquisition or transfer of shares in the name of any individual holder unless and until the individual holder submits the appropriately signed form relating to such shares to the share registrar and the form shall include the following statements:

- (1) the share purchaser and the Company and each of the shareholders, and the Company and each of the shareholders agree to observe and comply with the requirements of the Company Law, Special Provisions and other relevant laws, administrative regulations, and the Articles of Association.
- (2) the purchaser of the shares agrees with the Company and each of its shareholders, Directors, Supervisors, President and other senior management of the Company, and the Company, acting on behalf of itself and each of the Directors, Supervisors, President and other senior management of the Company, agrees with each of the shareholders that, they will refer to arbitration for settlement of all disputes and claims of rights arising from the Articles of Association, or disputes and claims of rights in relation to the Company's affairs arising from any rights or obligations under the Company Law or other relevant laws and regulations in accordance with the provisions of the Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct an open hearing and to publish its arbitration award. Such arbitration shall be final and conclusive.
- (3) the purchaser of the shares agrees with the Company and each of the shareholders of the Company that the shares of the Company may be freely transferred by the holders.
- (4) the purchaser of the shares authorizes the Company to enter into a contract on his behalf with each of the Directors, President and other senior management, pursuant to which the Directors, President and other senior management undertake to observe and perform their duties owed to the shareholders under the Articles of Association.

Article 53 The share certificates shall be signed by the chairman of the Board of Directors. Where the signatures of the President and other senior management of the Company are required by the securities regulatory authorities or the stock exchange(s) at the locations where shares of the Company are listed, the share certificates shall also be signed by such President and other senior management. The share certificates shall become valid after the Company seal is affixed thereto or imprinted thereon. The affixing of seal shall be authorized by the Board of Directors. The signature of the chairman of the Board of Directors, the President or such other senior management on the share certificates may also be in printed form.

Under the circumstance that the shares of the Company are issued and traded in a paperless manner, such provisions as provided by the securities regulatory authorities or the stock exchange(s) at the location where the shares of the Company are listed shall apply.

Article 54 The Company shall establish a register of shareholders recording the following matters:

- (1) the name or title, address or domicile, occupation or nature of each shareholder;
- (2) the class and number of shares held by each shareholder;
- (3) the amount paid or payable on the shares held by each shareholder;
- (4) the serial number of the share certificates held by each shareholder;
- (5) the date of registration;
- (6) the date of deregistration.

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

The domestic shares issued by the Company shall be kept collectively in the Shanghai Branch of the China Securities Depository and Clearing Corporation. The Company shall establish a register of shareholders of domestic shares as per the certificates provided by securities registration authorities.

Article 55 The Company may keep overseas the register of holders of overseas listed foreign shares and entrust an overseas agency for its custody in accordance with the understanding and agreement reached between the securities regulatory authorities under the State Council and the overseas securities regulatory authorities. The original of the register of holders of overseas listed foreign shares listed on the Hong Kong Stock Exchange shall be kept in Hong Kong.

The Company shall keep at its domicile a copy of the register of holders of overseas listed foreign shares, and the entrusted overseas agency shall always ensure that the original and copies of the register of holders of overseas listed foreign shares are consistent.

Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.

Article 56 The Company shall keep a complete register of shareholders.

The register of shareholders shall include the following parts:

- (1) other than those specified in items (2) and (3) of this Article, a register kept at the Company's domicile and the register(s) of shareholders of domestic shares established by the Company as per the certificates provided by securities registration authorities;
- (2) the register(s) of shareholders of overseas listed foreign shares kept in the place(s) of the stock exchange(s) outside the PRC on which the shares are listed;
- (3) the register(s) of shareholders kept in other places as the Board of Directors may decide and consider necessary for listing purposes.

Article 57 The various parts of the register of shareholders shall not overlap with each another. The transfer of shares registered in a certain part of the register of shareholders shall not, during the continuance of the registration of such shares, be registered in any other part of the register.

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

Article 58 Matters involving closure of register of shareholders before a shareholders' general meeting is held or before the Company determines to distribute dividends shall be implemented in accordance with laws, regulations and relevant provisions of the securities regulatory authorities where the Company's shares are listed.

Article 59 When the Company needs to identify the shareholders who are entitled to relevant interests at the shareholders' general meeting or in the process of dividends distribution and liquidation, the Board of Directors or the convener of the shareholders' general meeting shall determine a date as the record date. When making settlement of transactions at the record date, the registered shareholders shall be the shareholders who are entitled to relevant interests.

Article 60 Any person who has an objection to the register of shareholders and requests to have his/her name (title) entered into or removed from the register of shareholders may file a petition to the court of competent jurisdiction for rectification.

Article 61 Any registered shareholder or any person who claims to have his/her name (title) entered into the register of shareholders in respect of shares in the Company may apply to the Company for a new share certificate for replacement in respect of such shares (the "**Relevant Shares**"), in the event that his/her share certificate (the "**Original Share Certificate**") has been stolen, lost or destroyed.

In the event that a shareholder whose share certificate of domestic shares has been stolen, lost or destroyed applies to the Company for a replacement new share certificate, it shall be dealt with in accordance with the relevant provisions of the Company Law.

In the event that a shareholder whose share certificate of overseas listed foreign shares has been stolen, lost or destroyed applies to the Company for a replacement new share certificate, it may be dealt with in accordance with the laws, rules of the stock exchange or other relevant provisions of the place where the original register of shareholders of overseas listed foreign shares is maintained.

In the event that a shareholder whose share certificate of overseas listed foreign shares has been stolen, lost or destroyed, the issue of a replacement new share certificate shall comply with the following requirements:

- (1) The applicant shall submit an application to the Company in a prescribed form accompanied by a notarial certificate or a statutory declaration stating the grounds upon which the application is made and the circumstances and the evidence of the stealing, loss or destruction, and declaring that no other person is entitled to have his/her name entered in the register of shareholders in respect of the Relevant Shares.

- (2) Before the Company decides to issue the replacement new share certificate, no statement made by any person other than the applicant declaring that his/her name shall be entered in the register of shareholders in respect of such shares has been received.
- (3) The Company shall, if it decides to issue a replacement new share certificate, publish an announcement in respect of the issue of a replacement new share certificate in such newspapers as may be prescribed by the Board of Directors; the period of announcement shall be 90 days and the announcement shall be reissued at least once every thirty days.
- (4) The Company shall, prior to the publication of the announcement of its proposed issue of a replacement new share certificate, submit to the stock exchange on which its shares are listed a copy of the announcement to be published, and may publish the announcement upon receiving confirmation from such stock exchange that the announcement has been exhibited in the said stock exchange. Such announcement shall be exhibited in the said stock exchange for a period of 90 days.

In the event that the application for replacement of a share certificate is made without the consent of the registered holder of the Relevant Shares, the Company shall deliver by mail to such registered shareholder a photocopy of the announcement to be published.

- (5) If, upon expiry of the 90-day period referred to in paragraphs (3) and (4) of this Article, the Company have not received from any person notice of any objection to such application in respect of the issue of replacement share certificate, the Company may issue a replacement new share certificate to the applicant accordingly.
- (6) Where the Company issues a replacement new share certificate under this Article, it shall forthwith cancel the Original Share Certificate and record the cancellation and replacement issue in the register of shareholders accordingly.
- (7) All expenses relating to the cancellation of an Original Share Certificate and the issuance of a replacement new share certificate by the Company shall be borne by the applicant and the Company is entitled to refuse to take any action until reasonable security is provided by the applicant.

Article 62 Where the Company issues a new replacement share certificate pursuant to the Articles of Association, the name (company name) of a bona fide purchaser gaining possession of such new share certificate or the person who is subsequently entered in the register of shareholders as holder of such shares (if he is a bona fide purchaser) shall not be removed from the register of shareholders.

Article 63 The Company shall not have any obligation to indemnify any person for any damages suffered from the cancellation of the Original Share certificate or the issuance of a new replacement share certificate, unless such person concerned can prove that the Company has committed a fraudulent act.

Chapter 5 Shareholders and the Shareholders' General Meeting

Section 1 Shareholders

Article 64 Shareholders of the Company are persons lawfully holding shares of the Company, with names (titles) recorded in register of shareholders.

The shareholders are entitled to rights and obligations according to the class of shares and portion they held. Shareholders of the same class shall be entitled to the same rights and the same obligations.

As for overseas listed foreign shares, where two or more persons are registered as joint holders of any shares, they shall be deemed as the common owners of the said shares subject to the following restrictions:

- (1) the Company shall not register more than four persons as joint shareholders of any shares;
- (2) all joint shareholders of any shares shall be jointly and severally liable for all relevant costs payable;
- (3) if one of the joint shareholders is deceased, only the other existing shareholder(s) shall be deemed as the owners of relevant shares, provided that the Board of Directors may require a certificate of death of the relevant shareholder it deems appropriate for the purpose of updating the register of shareholders;
- (4) in respect of the joint shareholders of any shares, only the joint shareholder first named in the register of shareholders have the right to receive the certificate of relevant shares and notices of the Company. Any notice delivered to the aforesaid shareholder shall be deemed to have been delivered to all joint shareholders of the relevant shares. Any of the joint shareholders may sign the proxy form. In case that more than one of the joint shareholders attend the meeting, whether in person or by proxy, the vote of the senior joint shareholder will be accepted to the exclusion of the votes of the other joint shareholder(s), and for this purpose, seniority will be determined by the order in which the names stand in the register of shareholders in respect of the joint shareholding.

Article 65 Holders of the ordinary shares of the Company shall be entitled to the following rights:

- (1) to receive dividends and other distributions in proportion to the shares they hold;
- (2) to lawfully request, convene, hold and attend the shareholders' general meetings either in person or by proxy and exercise their corresponding voting right;
- (3) to supervise, present suggestions on or make inquiries about the operational conduct of the Company;
- (4) to transfer, donate or pledge their shares in accordance with laws, administrative regulations, relevant requirements provided by the securities regulatory authorities in the places where the Company's shares are listed and the Articles of Association;

- (5) to gain relevant information in accordance with laws and the Articles of Association, including:
- (i) receiving the Articles of Association after payment of production cost;
 - (ii) being entitled to consult for free and copy after payment of reasonable cost for the following:
 - (a) all parts of the register of shareholders;
 - (b) personal data of Directors, Supervisors, President and other senior management of the Company, including:
 - (A) their present and former names, alias;
 - (B) address (residence);
 - (C) nationality;
 - (D) full-time and all other part-time jobs and titles;
 - (E) identity documents and numbers;
 - (c) shareholding in the company;
 - (d) the latest audited financial statements and reports of the Board of Directors, of the auditors and of the Supervisory Committee of the Company;
 - (e) special resolutions of the shareholders' general meetings and/or of the meetings of the Board of Directors of the Company;
 - (f) report of the total par value, quantity, the highest and lowest price of each class of shares repurchased by the Company from the last fiscal year and the total amount paid by the Company for this purpose, refined according to domestic shares and foreign shares;
 - (g) minutes of shareholders' general meetings;
 - (h) a copy of the latest annual inspection report filed with the company registration authority or other competent authorities.
 - (i) corporate bond stub;
 - (j) the resolutions of the Board of Directors and the resolutions of the Supervisory Committee.
- (6) to participate in the distribution of the remaining properties of the Company in proportion to their shareholdings in the event of the termination or liquidation of the Company;

- (7) to require the Company to buy their shares in the event of objection to resolutions of the shareholders' general meeting concerning merger or division of the Company;
- (8) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, normative documents, Hong Kong Listing Rules and the Articles of Association.

The Company shall not exercise any power to freeze or otherwise damage any rights attached to the shares held by a person directly or indirectly interested in the Company due to failure of the person to disclose its rights and interests to the Company.

Article 66 When a shareholder requests to inspect the relevant information mentioned in the preceding Article or requests any materials, such shareholder shall provide the Company with written documents evidencing the class and number of shares held, and the Company shall provide such relevant information or such materials upon request after verifying his shareholder identity.

Article 67 Shareholders shall have the right to protect their legitimate rights and interests through civil procedures or other legal means according to laws and administrative regulations.

In the event of any loss caused to the Company as a result of violation of laws, administrative regulations or the Articles of Association by the Directors or senior management 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 Supervisory 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 the Articles of Association by the Supervisory Committee when performing its duties, any of the shareholders may request the Board of Directors in writing to initiate litigation before the people's court (the dispute-settlement rules of the Articles of Association shall apply to holders of foreign shares).

In the event that the Supervisory Committee or the Board of Directors 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 interests 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 (the dispute-settlement rules of the Articles of Association shall apply to holders of foreign shares).

If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the shareholder(s) as mentioned in the second paragraph of this Article may institute legal proceedings to the people's court according to the provisions of the two preceding paragraphs (the dispute-settlement rules of the Articles of Association shall apply to holders of foreign shares).

Article 68 In the event that any Director or senior management violates laws, administrative regulations or the Articles of Association to the detriment of the interest of the shareholders, the shareholders may initiate litigation before the People's Court (the dispute-settlement rules of the Articles of Association shall apply to holders of foreign shares).

Article 69 In the event that any resolutions of the shareholders' general meeting and the Board of Directors violate laws and administrative regulations, shareholders shall have the right to request the people's court to invalidate such resolutions. In the event that the procedures for convening and the voting at a shareholders' general meeting or a meeting of the Board of Directors violate laws, administrative regulations or the Articles of Association, or the resolutions violate the Articles of Association, any shareholder shall have the right to request the people's court to revoke within 60 days from the date of the resolutions (the dispute-settlement rules of the Articles of Association shall apply to holders of foreign shares).

Article 70 The holders of ordinary shares of the Company shall have the following obligations:

- (1) to comply with the laws, administrative regulations and the Articles of Association;
- (2) to make the payment in respect of the shares subscribed for and the method of subscription;
- (3) to be prohibited from claiming the share capital in respect of its shares, unless otherwise specified by laws or regulations;
- (4) to perform capital contribution obligations in strict compliance with laws and regulations and requirements of CSRC, and to use its own capital which is legally obtained to make contribution into the Company, for which no non-self owned capital such as entrusted capital shall be used, unless otherwise permitted bylaws and regulations;
- (5) to truthfully, accurately, and thoroughly disclose the shareholding structure up to the actual controller and the ultimate equity holder, as well as associations with other shareholders or persons acting in concert, and not to apply concealment or misrepresentation with the intention to circumvent shareholder qualification review or regulation;
- (6) major shareholders and controlling shareholders shall supplement capital into the Company when necessary;
- (7) a shareholder who has not obtained the approval from or has not made due filings with the appropriate regulatory authority, or has not completed mandatory rectification process, is forbidden to exercise such rights of requesting a General Meeting of Shareholders, voting, nomination, making a proposal, and disposing of his or her shareholding;
- (8) not to abuse rights of shareholder to the detriment of the interests of the Company or other shareholders, or abuse the Company's independent legal person status or the limited liability of the shareholders, to the detriment of the interest of the creditors of the Company. A shareholder who has made false statements, abused his or her rights as a shareholder, or infringed on the interests of the Company, is forbidden to exercise such rights of requesting a General Meeting of Shareholders, voting, nomination, making a proposal, and disposing of his or her shareholding.

In the event of any damage caused to the Company or other shareholders arising from any abuse of the shareholder's rights, such shareholder shall be liable for compensation in accordance with laws.

In the event of any material damage caused to the interests of the creditors of the Company arising from any abuse of the Company's independent legal person status and the limited liability of the shareholders by any shareholder to evade from debts, such shareholder shall be jointly and severally liable for the Company's debts;

- (9) not to appoint or remove Directors, Supervisors and senior management of the Company without authorization by the shareholders' general meeting and the Board of Directors;
- (10) not to intervene in the operation and management activities of the Company by violating laws, administrative regulations and the Articles of Association;
- (11) other obligations prescribed bylaws, administrative regulations and the Articles of Association.

Article 71 When the issued shares with voting rights of the Company as held by an investor through securities trading on the stock exchange or jointly with others through agreements or other arrangements reach 5% of the total number of shares of the Company, the investor shall, within 3 days after the event occurs, submit a written report to the securities regulatory authorities of the State Council and the stock exchange, notify the Company and make an announcement thereon. The investor shall not trade in the Company's shares within the aforesaid period, unless under any circumstance prescribed by the securities regulatory authorities of the State Council.

After the issued shares with voting rights of the Company as held by an investor or jointly with others through agreements or other arrangements reach 5% of the total number of shares of the Company, the investor shall, according to the provisions of the preceding paragraph, make a report and announcement each time when the proportion of issued shares with voting rights of the Company held by such investor increases or decreases by 5%. From the day when the event occurs to the end of 3 days after the announcement is made, the investor shall not trade in the Company's Shares, unless under any circumstance prescribed by the securities regulatory authorities of the State Council.

After the issued shares with voting rights of the Company as held by an investor or jointly with others through agreements or other arrangements reach 5% of the total number of shares of the Company, each time when the proportion of issued shares with voting rights of the Company held by such investor increases or decreases by 1%, the investor shall notify the Company and make an announcement thereon on the next day after the event occurs.

Whoever purchases the shares with voting rights of the Company in violation of paragraph 1 or 2 shall not exercise the voting rights of the shares that exceed the prescribed proportion within 36 months after purchasing such shares.

Article 72 Any shareholder or actual controller who holds or controls no less than 5% of the voting shares of the Company shall notify the Company within five business days of any of the following events:

- (1) the shares of the Company held or controlled by it are subject to any property preservation or other mandatory measures;
- (2) its actual controller has been changed;
- (3) its name has been changed;
- (4) a merger or division has been effected;
- (5) there have been regulatory measures taken such as suspension of operation for rectification, appointment of trustee, takeover or revocation or is in the process of dissolution, bankruptcy or liquidation;
- (6) administrative penalties or criminal punishment have been imposed due to serious violation of laws or regulations;
- (7) other material circumstances that may result in the transfer of the shares of the Company that it holds or otherwise affect the operation of the Company;
- (8) other circumstances which shall be notified to the Company in accordance with relevant laws, regulations, rules and regulatory documents.

Any shareholder holding 5% or above of the voting shares of the Company, who pledges its shares, shall immediately report to the Company in writing on the day of effectiveness of such pledge of shares.

Article 73 If any material situation specified in relevant laws, regulations, rules, and normative documents which may affect the Company's operation occurs, the Company shall inform all shareholders within the time limit and report to the local office of the CSRC in the place where the Company is registered and its principal place of business is located.

Article 74 The Controlling Shareholders of the Company shall not make any decisions that may harm the legitimate rights and interests of the Company and other Shareholders upon exercising their rights to vote. The Controlling Shareholders and de facto controller of the Company shall not exploit their connected relationship to harm the interests of the Company. In the event of any damage caused to the Company due to their violation of regulations, they shall be liable for such damages.

The Controlling Shareholders and de facto controller of the Company shall bear the fiduciary duty to the Company and the public shareholders of the Company. The Controlling Shareholder shall strictly abide by laws in exercising the investor's rights and shall not infringe the legitimate rights of the Company and the public shareholders by way of profit distribution, asset reorganization, external investment, misappropriation of capital and providing guarantee for borrowings. The Controlling Shareholders shall also not exploit their controlling position or abuse their rights to harm the interests of the Company or the public shareholders.

In addition to the obligations imposed by laws and administrative regulations or required by the securities regulatory authorities in the places where the Company's shares are listed, the Controlling Shareholder, in exercising the power as a shareholder, shall not exercise his/her voting rights in a manner prejudicial to the interests of all or some part of the shareholders when making decision on the following matters:

- (1) to remove a Director or Supervisor of his/her duty to act in good faith in the best interests of the Company;
- (2) to approve the expropriation by a Director or Supervisor (for his/her own benefit or for the benefit of another), in any manner, the assets of the Company, including but not limited to an opportunity beneficial to the Company;
- (3) to approve the expropriation by a Director or Supervisor (for his/her own benefit or for the benefit of another) the individual interests of other shareholders, including but not limited to rights to distributions and voting rights except for restructuring of the Company submitted for approval by the shareholders in shareholders' general meeting in accordance with the Articles of Association.

Section 2 General Rules of Shareholders' General Meeting

Article 75 The shareholders' general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with the laws:

- (1) to determine the operating policies and investment plans of the Company;
- (2) to elect and replace Directors who are not employee representatives and to determine the remuneration of the relevant Directors;
- (3) to elect and replace Supervisors who are not employee representatives, and to determine the remuneration of the relevant Supervisors;
- (4) to consider and approve the reports of the Board of Directors;
- (5) to consider and approve the reports of the Supervisory Committee;
- (6) to consider and approve the proposed annual financial budgets and final accounts of the Company;
- (7) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (8) to approve resolutions on increase or reduction of share capital and issuance of stocks of any type, warrants and other similar securities of the Company;
- (9) to resolve on the issuance of bonds of the Company;
- (10) to resolve on matters such as merger, division, spin-off, dissolution, liquidation or change of form of the Company;
- (11) to amend the Articles of Association;

- (12) to resolve on the appointment, removal or non-renewal of any accounting firm;
- (13) to consider the guarantees specified in Article 76;
- (14) to consider the financial assistance specified in Article 77;
- (15) to consider and approve the connected transactions which shall be considered by the shareholders' general meeting, according to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, namely transactions between the Company and connected persons (including the debts and expenses assumed) amounting to RMB30 million or above and accounting for 5% or higher of the absolute value of the latest audited net assets of the Company (hereinafter referred to as "**material related transactions**"); consider and approve the connected transactions, which are subject to approval of independent shareholders (i.e. shareholders who don't have interest in connected transactions), according to the Hong Kong Listing Rules; as the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Hong Kong Listing Rules are revised to be applicable from time to time, the Company shall comply with the specific provisions concerning connected transactions as set out in the aforesaid two listing rules revised to be applicable from time to time;
- (16) to consider the major transactions subject to consideration at the general meeting as required by the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange;
- (17) to consider external investment, purchasing or selling material assets and financing, in which a single operating capital or operating capitals accumulated within 4 months amounting to or exceeding 20% of the latest audited net assets of the Company;
- (18) to consider matters of which material assets purchased or sold within one year exceed 30% of the latest audited total assets of the Company;
- (19) to consider and approve any change of the use of proceeds raised;
- (20) to consider share incentive scheme and employee stock ownership plan;
- (21) to pass resolutions on purchase of the shares of the Company because of the circumstances (1) and (2) as required in Article 32 of the Articles of Association;
- (22) to consider government-directed charitable donations and relief donations with a single transaction amount of RMB20 million or more, as well as other external donations and commercial sponsorships with a single transaction amount of RMB10 million or more;
- (23) to consider such other matters to be resolved at shareholders' general meeting as required by laws, regulations, listing rules of the places where the shares of the Company are listed or the Articles of Association and regulatory documents.

The foregoing functions and powers of the shareholders' general meeting shall not be exercised by the Board of Directors or any other body or individual on its behalf by means of authorization. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorize the Board of Directors to decide upon such matters within the scope of authorization of the shareholders' general meeting subject to the applicable laws, regulations and the Articles of Association. Without the prior approval from the shareholders' general meeting, the Company shall not enter into a contract with a person other than a Director, Supervisor, President or other senior management whereby the management of all or a material part of the business of the Company is delegated to such person.

Article 76 The Company shall not provide any finance or guarantee for the shareholders or related parties of the shareholders, except for margin financing and securities lending provided by the Company to customers according to relevant provisions. The Company shall comply with relevant provisions regarding guarantee for any external party by any securities firm or listed company. The provision of any of the following guarantee for any external party by the Company shall be considered and approved by the shareholders' general meeting:

- (1) any guarantee after the total amount of guarantee for external parties by the Company and its controlled subsidiaries has reached or exceeded 20% of the Company's latest audited net assets;
- (2) any guarantee provided for any entity with a gearing ratio of more than 70%;
- (3) any single guarantee with a value of more than 10% of the latest audited net assets of the Company;
- (4) guarantees exceeding 30% of the latest audited total assets of the Company when being aggregated with guarantees incurred in the preceding 12 consecutive months;
- (5) any guarantee after the total amount of guarantee for external parties by the Company and its controlled subsidiaries has exceeded 30% of the Company's latest audited total assets;
- (6) other guarantees which are subject to consideration at the shareholders' general meeting as required by relevant laws, regulations and the stock exchanges of the places where shares of the Company are listed.

Any guarantee for any external party, which are subject to consideration by the shareholders' general meeting shall not be submitted to the shareholders' general meeting for approval before approval by the Board of Directors. Guarantee in circumstance (4) above shall be passed by at least two-thirds of the voting rights represented by shareholders present at the meeting.

Article 77 In addition to being considered and approved by more than half of all Directors, the financial assistance transactions of the Company shall also be considered and approved by at least two-thirds of the Directors present at a Board meeting and disclosed in a timely manner.

Matters of financial assistance shall also be submitted to the general meeting for consideration after being considered and approved by the Board in one of the following circumstances:

- (i) the amount of a single financial assistance exceeds 10% of the latest audited net assets of the listed company;
- (ii) the gearing ratio of the recipient of the financial assistance exceeds 70% as shown in its latest financial statements.
- (iii) the total amount of financial assistance provided within the last 12 months exceeds 10% of the latest audited net assets of the Company;
- (iv) other circumstances as stipulated by the stock exchanges or these Articles.

If the recipient of financial assistance is a controlled subsidiary within the scope of consolidation of the Company and the other shareholders of the controlled subsidiary do not include the Company's controlling shareholder, actual controller and their associates, the provisions of the preceding two paragraphs may be waived.

Article 78 Shareholders' general meeting consists of annual general meeting and extraordinary general meeting. The annual general meeting shall be held once every year within six months following the end of the previous financial year. In case of adjournment under special circumstances, the Company shall promptly report to the local branch of the CSRC in the place at which the Company is located with the reasons for adjournment.

Article 79 The Company shall hold an extraordinary general meeting within two months subsequent to the occurrence of any of the following events:

- (1) when the number of incumbent Directors falls below the mandatory minimum requirement of the Company Law, or is less than two-thirds of the number specified by the Articles of Association;
- (2) when the uncovered loss is more than one-third of the Company's total share capital;
- (3) when any of the shareholders individually or jointly holding no less than 10% of total number of the Company's voting shares make any written request;
- (4) when the Board of Directors considers it necessary;
- (5) when the Supervisory Committee proposes to convene such meeting;
- (6) such other circumstances as specified by laws, administrative regulations, departmental rules, normative documents or the Articles of Association.

Number of shares in circumstance (3) above shall be calculated as of the date on which the written request is made.

Article 80 The venue to hold a shareholders' general meeting of the Company shall be the domicile of the Company or other location specified by the convener.

A shareholders' general meeting shall usually be in the form of physical meeting to be held on-site. The Company shall facilitate the participation of shareholders at the shareholders' general meetings by the Internet or other ways to the extent technically feasible. A shareholder who participates in a general meeting in the aforesaid manners shall be deemed to have been present at the meeting.

Article 81 The Company shall engage lawyers to attend the shareholders' general meeting and advise on the following issues with announcements made thereon:

- (1) Whether the convening of the shareholders' general meeting and its procedures are in compliance with laws, administrative regulations and the Articles of Association;
- (2) Whether the attendees are eligible and whether the eligibility of the convener is lawful and valid;
- (3) Whether the procedures of voting and the voting outcome of the meeting are lawful and valid;
- (4) Legal opinions on other related matters at the request of the Company.

Section 3 Convening of Shareholders' General Meeting

Article 82 Shareholders' general meetings shall be convened by the Board of Directors, and presided over by the chairman of the Board of Directors, unless the Articles of Association requires otherwise.

Article 83 Any independent Director may propose to the Board of Directors to convene an extraordinary general meeting, and the Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following the date of such resolution of the Board of Directors. If the Board of Directors rejects the proposal, the Board of Directors shall provide an explanation and make relevant announcement.

Article 84 The Supervisory Committee may propose in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following the date of such resolution of the Board of Directors, provided that any change to the proposal made in notice shall be subject to approval of the Supervisory Committee.

If the Board of Directors rejects the proposal or withholds from responding for 10 days following receipt of the proposal, the Board of Directors shall be deemed incapable or failing to perform the duty of convening a shareholders' general meeting. In such case, the Supervisory Committee may convene and preside over the meeting.

Article 85 Any of the shareholders individually or jointly holding no less than 10% of the Company's shares may propose in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following the date of such resolution of the Board of Directors, provided that any change to the proposal made in the notice shall be subject to approval of the relevant shareholder(s).

If the Board of Directors rejects the proposal or withholds from responding for 10 days following the receipt of the proposal, such shareholder(s) individually or jointly holding no less than 10% of the shares of the Company may propose to the Supervisory Committee in writing to convene an extraordinary general meeting.

If the Supervisory Committee consents to the proposal, a notice convening such meeting shall be issued within five days following receipt of the proposal, provided that any change to the proposal made in the notice shall be subject to approval of the relevant shareholder(s).

If the Supervisory Committee has not issued any notice on convening such meeting within the prescribed period, it shall be deemed that the Supervisory Committee will not convene and preside over the extraordinary general meeting. Such shareholder(s) individually or jointly holding 10% or above of the Company's shares for more than 90 consecutive days shall have the right to convene and preside over an extraordinary general meeting.

Article 86 If the Supervisory Committee or any such shareholder(s) decide(s) to convene an extraordinary general meeting, the Board of Directors shall be notified in writing, and the meeting shall be registered with the stock exchange(s).

The shareholder(s) convening the shareholders' general meeting shall hold no less than 10% of the shares of the Company prior to the announcement of any resolution approved at the shareholders' general meeting.

The Supervisory Committee or convening shareholder(s) shall submit relevant evidence to the stock exchange(s) when issuing the notice of shareholder's general meeting and announcement of any resolution approved at the shareholder's general meeting.

Article 87 The Board of Directors and its Secretary shall cooperate with the Supervisory Committee or such shareholder(s) convening the meeting. The Board of Directors shall provide the register of shareholders as of the record date.

Article 88 The necessary expenses for a general meeting convened by the Supervisory Committee or the shareholders on their own shall be borne by the Company.

Section 4 Proposal and Notice of Shareholders' General Meeting

Article 89 The contents of the proposed motion shall fall within the functions of the shareholders' general meeting, shall feature definite topics and specific issues for resolution, and shall be in compliance with relevant provisions of the laws, administrative regulations and the Articles of Association.

Article 90 As a shareholders' general meeting is convened, the Board of Directors, Supervisory Committee and any of the shareholders individually or jointly holding no less than 3% of the shares of the Company may propose resolution(s) to the Company.

Any of the shareholders individually or jointly holding no less than 3% of the shares of the Company may submit an interim proposal in writing to the convener at least 10 days prior to the convening of the shareholders' general meeting. The convener shall then send a supplemental notice to the shareholders to announce the interim proposal, within 2 days upon receipt of such proposal.

Other than the above circumstances, the convener shall not make any change in the notice of the shareholders' general meeting to the existing proposals or add any new proposal after the publication of the notice.

Such motions which are not specified in the notice of the shareholders' general meeting or which do not comply with Article 89 of the Articles of Association shall not be voted or resolved at the shareholders' general meeting.

Article 91 When the Company convenes a shareholders' general meeting, notice of the meeting shall be given by the convener 20 days before the date of the annual meeting and 15 days before an extraordinary general meeting to inform all shareholders of the matters to be considered and the date and place of the meeting by way of announcement. Where the laws, regulations, securities regulatory authorities and stock exchanges of the listing places of the Company provide otherwise, such relevant provisions thereof shall prevail.

Article 92 The notice of a shareholders' general meeting shall comply with the following requirements:

- (1) made in writing;
- (2) specify the date, time and venue of the meeting;
- (3) specify the matters and proposals submitted to the meeting for consideration and examination (the notice of the shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all proposals, as well as all meeting materials necessary for the shareholders to make reasonable judgments on the relevant proposals. Among the proposals to be voted on at a general meeting, if a proposal takes effect as a prerequisite for the other proposals to become effective, the convener shall clearly disclose the relevant preconditions in the notice of the general meeting and give special reminders indicating that such proposal approval is a prerequisite for the voting results of the subsequent proposals to become effective.);

- (4) provide such information and explanation as is necessary for the shareholders to make an informed decision on the matters to be discussed. Without limiting the generality of the foregoing, where a proposal is made to consolidate and repurchase the shares of the Company, to reorganize its share capital, or to restructure the Company in any other way, the specific terms and the contract, if any, of the proposed transaction must be provided and the reason and effect of such proposal must be properly explained;
- (5) contain a disclosure of the nature and extent of the material interests, if any, of any Director, Supervisor, President and other senior management in the matters to be discussed; and in the event that the matters to be discussed will have different effect on the Directors, Supervisors, President and other senior management in their capacity as shareholders from that on the shareholders of the same class, explain such difference;
- (6) contain the full text of any special resolution to be proposed at the meeting;
- (7) contain a conspicuous statement that all shareholders are entitled to attend the shareholders' general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and such proxy needs not be a shareholder of the Company;
- (8) specify the record date for determining the shareholders who are entitled to attend the shareholders' general meeting;
- (9) specify the date and place for the delivery of proxy forms for voting;
- (10) state the names and telephone numbers of the standing contact persons for the meeting;
- (11) in the event that a shareholders' general meeting is held online or through other means, the designated time and procedure for voting through internet or other means shall be expressly stated in the notice of such meeting.

The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall not be more than 7 business days. The shareholding record date shall not be changed once confirmed.

Article 93 Unless otherwise stipulated by laws, regulations, the listing rules of the places where shares of the Company are listed and the Articles of Association, the notice of a shareholders' general meeting shall be published on the websites, sent to shareholders (regardless of whether they are entitled to vote at the shareholders' general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For the shareholders of domestic shares, the notice of the shareholders' general meeting may also be given by way of announcement.

The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities under the State Council with reference to the notice period as set out in article 91 of these Articles of Association. Once such an announcement is made, all shareholders of the domestic shares shall be deemed to have received the relevant notice of the shareholders' general meeting.

The notices of the shareholders' general meeting shall be delivered to the shareholders of overseas listed foreign shares in any of the following manners, with reference to the notice period as set out in article 91 of these Articles of Association:

- (1) deliver to every shareholder of overseas listed foreign shares by personal delivery or by postal mail in accordance with the addresses of every shareholder of overseas listed foreign shares. The notice for shareholders of overseas listed foreign shares should be sent at Hong Kong to the best effort of the Company;
- (2) publish on the website of the Company or on the website designated by the stock exchanges where shares of the Company are listed in accordance with applicable laws, administrative regulations and relevant listing rules;
- (3) deliver pursuant to other requirements by the stock exchanges where shares of the Company are listed or by listing rules.

Article 94 Where the election of Directors and Supervisors are scheduled to be discussed at a shareholders' general meeting, the notice of the shareholders' general meeting shall sufficiently disclose the detailed information about the Director and Supervisor candidate(s), including at least the following contents:

- (1) personal information including education background, work experience and part-time job;
- (2) whether he/she has connected relations with the Company or its controlling shareholders and de facto controller;
- (3) his/her shareholding in the Company;
- (4) whether he/she has received any punishment from the CSRC and other relevant authorities and any penalty and warning from stock exchanges;
- (5) disclosable information in relation to the new appointment or re-designation of Directors or Supervisors as required by the listing rules of the places where shares of the Company are listed.

Except the election of Directors and Supervisors by means of cumulative voting, election of every Director and Supervisor candidate shall be conducted by separate resolution.

Article 95 After the notice of the shareholders' general meeting is issued, the shareholders' general meeting shall not be postponed or cancelled, and the proposals set out in such notice shall not be cancelled without valid reasons. Where a shareholders' general meeting has to be postponed or cancelled, the convener shall state the relevant reasons at least 2 business days before the original date of the shareholders' general meeting.

Section 5 Convening of Shareholders' General Meetings

Article 96 The Board of Directors and other conveners shall take necessary measures to ensure the good order of the shareholders' general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles or infringing the lawful rights and interests of any shareholder, and shall report in a timely manner such act to the relevant authorities for investigation and punishment.

Article 97 Any shareholder whose name appears in the register of shareholders on the record date with voting rights or its proxy shall have the right to attend the shareholders' general meeting and vote at such meeting in accordance with relevant laws, regulations, the listing rules of the places where shares of the Company are listed and the Articles of Association.

A shareholder may attend the shareholders' general meeting in person or appoint one or several persons to act as his proxy (ies) to attend and vote at the meeting on his behalf. The proxy (ies) so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:

- (1) the right which the shareholder has to speak at the meeting;
- (2) the right to demand a poll alone or jointly with others;
- (3) the right to exercise voting rights on a show of hands or on a poll, provided that where more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.

Article 98 The shareholders shall entrust his proxy (ies) by an instrument in writing, and such instrument shall be signed by the principal or by his proxy duly entrusted in writing; in the event that the principal is a legal person, the corporate seal of the legal person shall also be chopped or signed by its duly appointed proxy (ies).

Article 99 Individual shareholders attending a shareholders' general meeting in person shall produce their identity cards or other valid proof or evidence of their identities or stock account cards; in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the power of attorneys from shareholders.

Where a shareholder is a legal person, its legal representative or a person authorized by such legal representative, the boards or other decision-making bodies shall attend a shareholders' general meeting. In case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and proof of ownership; in the case of attendance by proxies, such proxies shall produce their identity cards and the power of attorneys in writing as duly issued by such legal representatives, the boards or other decision-making bodies and the proof the ownership.

In the event that the shareholder is a recognized clearing house (hereinafter referred to as “**recognized clearing house**”) as defined in relevant regulations established at the places where shares of the Company are listed or its agent, such shareholder is entitled to appoint one or more persons it deems suitable to act as its proxy (ies) at any shareholders’ general meeting or shareholders’ class meeting. However, in the event that two or more persons are appointed as representatives, the powers of attorney shall specify the number and the class of shares as represented by each of the said persons. The persons so authorized may represent the recognized clearing house (or its agent) to attend the meetings and exercise their rights (without being required to present share certificate, certified statement of proxy and/or further evidence of due authorization), as if such persons are individual shareholders of the Company.

Article 100 The power of attorney issued by a shareholder to appoint a representative to attend a shareholders’ general meeting shall specify:

- (1) the name of the proxy;
- (2) whether or not the proxy has any voting right;
- (3) directives to vote for or against or abstain from each and every issue included in the agenda of the shareholders’ general meeting;
- (4) the date of issue and validity period of the power of attorney;
- (5) the signature (or seal) of the principal. In the event that the principal is a corporate shareholder, the corporate seal shall be affixed.

Any blank form of the power of attorney as issued by the Board of Directors to any shareholder to appoint a proxy of a shareholder, shall allow the shareholder to freely choose to direct the shareholder’s proxy to vote in favor of, against or abstain from each resolution and to give separate instructions regarding the matters to be voted for every topics. The power of attorney shall expressly state that if the shareholder does not make any direction whether the proxy of the shareholder may vote at his/her discretion or not.

Article 101 The power of attorney for voting shall be placed at the domicile of the Company or such other place as specified in the notice of meeting at least 24 hours prior to the meeting at which the proxy is entrusted to vote or 24 hours before the scheduled voting time. Where such a power of attorney for voting is signed by a person authorized by the principal, the power of attorney for authorized signature or other authorization documents shall be notarized. Such power of attorney or other authorization documents upon notarized shall, together with the power of attorney for voting, be placed at the domicile of the Company or such other location as specified in the notice of the meeting.

Where the principal is a legal person, its legal representative or a person authorized by its board or other decision-making body shall attend the shareholders’ general meeting of the Company.

Article 102 A vote given in accordance with the terms of the power of attorney shall be valid notwithstanding the previous death or loss of capacity of the principal or revocation of the power of attorney or of the authority under which the proxy was executed, or the transfer of the share(s) in respect of which the proxy is given, provided that no written notice of such death, loss of capacity, revocation or transfer has been received by the Company before the commencement of the meeting at which the proxy is issued.

Article 103 An attendees register shall be prepared by the Company, which shall state the name (or names of the corporations), identification document number and the address of each attendee, the number of voting shares held or represented by them, the names of the principals (or names of the corporations) and so on.

Article 104 The convener and the lawyers engaged by the Company shall verify the validity of the qualifications of shareholders based on such shareholders' register as provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

Article 105 All Directors, Supervisors and the Secretary to the Board of Directors shall attend shareholders' general meeting of the Company, while the President and other senior management shall be present at the meetings.

Where the shareholders' general meeting is convened by the Board of Directors, the chairman of the Board of Directors shall act as the chairman of the meeting (or the "**chairman of the conference**") and preside over the meeting. In the event that the chairman of the Board of Directors is unable to or fails to fulfill the duty thereof, the vice chairman shall act as the chairman of the meeting and preside over the meeting, where there are more than one vice chairmen, the chairman of the meeting shall be the vice chairman of the Board of Directors jointly elected by more than half of the Directors. In the event that even the vice chairman is unable to or fails to fulfill the duty thereof, the majority of the Directors shall jointly elect a Director to act as the chairman of the meeting and preside over the meeting.

A shareholders' general meeting convened by the Supervisory Committee itself shall be presided over by the chairman of the Supervisory Committee who acts as the chairman of the meeting. In the event that the chairman of the Supervisory Committee is unable to or fails to fulfill the duty thereof, the meeting shall be presided over by the vice chairman of the Supervisory Committee who acts as the chairman of the meeting. In the event that the vice chairman of the Supervisory Committee is unable to or fails to fulfill the duty thereof, more than half of the Supervisors may elect a Supervisor to act as the chairman of the meeting and preside over the meeting.

Where a shareholders' general meeting is convened by shareholders themselves, the chairman of the meeting shall be elected by the conveners and the shareholders' general meeting shall be presided over by the chairman of the meeting elected.

Where the chairman of the meeting violates the rules of procedure during the shareholders' general meeting and renders it impossible for the meeting to continue, the shareholders present at the meeting may by majority vote elect a person as the chairman of the meeting to proceed with the meeting.

Where no chairman of the meeting is specified, one shall be elected by shareholders attending the meeting; in the event that the shareholders fail to elect a chairman of the meeting for any reason, the chairman of the meeting shall be the shareholder (including the proxy) who holds the most voting shares among the shareholders attending the meeting.

Article 106 The Company shall formulate rules of procedure for shareholders' general meeting defining the convening and voting procedures thereof, covering notification, registration, consideration of proposals, voting, counting of ballots, announcement of voting results, formation of resolutions, meeting minutes and signing thereof and announcement, and the principles and contents of the authorization of the Board of Directors on the shareholders' general meeting. The rules of procedure for shareholders' general meeting shall be formulated by the Board of Directors and approved at the shareholders' general meeting.

Article 107 The Board of Directors and the Supervisory Committee shall report on their work during the preceding year at the annual general meeting. Every independent Director shall also prepare his work report.

Article 108 Directors, Supervisors and senior management shall provide explanations in relation to the inquiries and suggestions made by shareholders at shareholders' general meeting.

Article 109 The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the shareholders' general meeting.

Article 110 The shareholders' general meeting shall be recorded in minutes, for which the Secretary to the Board of Directors shall be responsible. The minutes of a shareholders' general meeting shall record the following contents:

- (1) the date, place and agenda of the meeting, and the name or title of the convener;
- (2) the name of the chairman of the meeting, and the Directors, Supervisors, President and other senior management attending or present at the meeting;
- (3) the number of such shareholders and the proxies thereof as attending the shareholders' general meeting, the number of voting shares held by the said shareholders and proxies thereof, and the percentage of the said shares to the total shares of the Company;
- (4) the process of discussion in respect of each proposal, highlights of speeches and the voting results;
- (5) details of the inquiries or suggestions of the shareholders, and the corresponding response or explanations;
- (6) the name(s) of the lawyer(s), counting officer(s) and monitoring officer(s); and
- (7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

Article 111 The convener shall ensure the meeting minutes are true, accurate and complete. The attending Directors, Supervisors, Secretary to the Board of Directors, convener or representative thereof, and the chairman of the meeting shall sign the minutes of the meeting. The minutes of the meeting, the signed attendance record of those shareholders on the scene and the powers of attorney of those attending by proxy, as well as valid information relating to the voting online or by other means shall be kept together for no less than 20 years.

Article 112 The convener shall ensure that the shareholders' general meeting is held continuously until final resolutions are arrived at. In the event that the shareholders' general meeting is terminated or fails to reach any resolution owing to force majeure or for other special reasons, immediate action shall be taken to resume the shareholders' general meeting as soon as possible or the shareholders' general meeting shall be directly terminated, and such termination shall be announced in time. Meanwhile, the convener shall report to the authorities delegated by the CSRC in the place where the Company is located and the stock exchange.

Section 6 Voting and Resolutions at the Shareholders' General Meeting

Article 113 Shareholders (including their proxies) shall exercise their voting rights represented by the number of voting shares they represent. Each share shall have one vote.

When the shareholders' general meeting considers significant matters that could affect the interests of medium and small investors, the votes by medium and small investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.

Shares held by the Company do not carry any voting rights and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.

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

The Board, independent directors, shareholders holding more than 1% of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the securities regulatory authorities of the State Council may, as the soliciting parties, personally or authorize a securities company or securities service agency to publicly request the Company's shareholders to authorize them to attend the shareholders' general meeting and exercise the shareholders' rights such as right of making motions and voting rights on behalf of such shareholders, and the soliciting parties shall disclose the solicitation documents and the Company shall cooperate in this regard. Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Consideration or de facto consideration for publicly soliciting shareholders' rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting shareholders' rights other than statutory requirements. The soliciting parties shall bear compensation liabilities according to relevant laws for damages caused by violation of laws, administrative regulations or relevant provisions of the securities regulatory authorities of the State Council in the process of publicly soliciting shareholders' rights.

Article 114 Where any shareholder is, under the Hong Kong Listing Rules, required to abstain from voting for any resolution or restricted to voting only for or only against it, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 115 Resolutions of the shareholders' general meeting are classified into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by votes representing more than half of the voting rights carried by the shareholders (including proxies) present at the meeting.

A special resolution shall be passed by votes representing more than two-thirds of the voting rights carried by the shareholders (including their proxies) present at the meeting.

Article 116 The following matters shall be approved by ordinary resolutions at the shareholders' general meeting:

- (1) work reports of the Board of Directors and the Supervisory Committee;
- (2) profit distribution proposals and proposals for recovery of losses formulated by the Board of Directors;
- (3) appointment and removal of members of the Board of Directors and the Supervisory Committee and their remuneration and methods of payment;
- (4) the Company's annual financial budget and final settlement plan;
- (5) the Company's annual report;
- (6) such matters other than those that are required to be adopted by way of special resolution by laws, administrative regulations or the Articles of Association.

Article 117 The following matters shall be approved by special resolutions at the shareholders' general meeting:

- (1) increase or reduction in share capital of the Company and issuance of shares of any class, warrants and other similar securities;
- (2) issuance of bonds by the Company;
- (3) division, spin-off, merger, dissolution and liquidation of the Company;
- (4) amendments to the Articles of Association;
- (5) share incentive scheme;
- (6) purchase or disposal of substantial assets by the Company within one year or the guaranteed amount exceeding 30% of the Company's latest audited total assets;
- (7) other matters specified bylaws, regulations, listing rules of the places where shares of the Company are listed or the Articles of Association and matters specified by ordinary resolutions of the shareholders' general meeting that are considered to be significant to the Company and shall be approved by special resolutions.

Article 118 Any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Article 119 Upon voting, the shareholders (including their proxies) entitled to two or more votes need not cast all their votes in the same way (vote in favor of, against or abstain from each resolution).

In the event that the number of dissenting votes equals that of supporting votes, the chairman of the meeting shall have one more casting vote whether on a show of hands or on a poll.

Article 120 Save that the Company is under exceptional circumstances such as crisis, unless approved by way of special resolution at a shareholders' general meeting, the Company shall not enter into any contracts with any person other than the Directors, President and other senior management under which the management of all or a substantial part of the business of the Company will be transferred to such person.

Article 121 The list of candidates for Directors and Supervisors shall be submitted to the shareholders' general meeting for voting by way of proposal. When a voting is made on election of Directors or Supervisors at a shareholder's general meeting, the cumulative voting system may be adopted in accordance with the requirements of the Articles of Association or the resolutions of the shareholders' general meeting. The cumulative voting system shall be adopted when two or more independent Directors are elected at a general meeting of the Company. In respect of the election of Directors or Supervisors, the cumulative voting system shall be adopted when sole shareholder and its concert party are interested in 30% or more in shares of the Company.

The cumulative voting system as referred to in the preceding paragraph means that when Directors or Supervisors are elected at a shareholders' general meeting, each share shall carry the same number of voting right as the number of Directors or Supervisors to be elected, and the voting rights owned by shareholders may be cumulatively used. The Board of Directors shall announce the resumes and basic information of the director or supervisor candidates to shareholders.

Article 122 Other than the cumulative voting system, the shareholders' general meeting shall vote on all proposals one by one. For two proposals on the same matter, voting shall be proceeded according to the time order of these proposals and voting shall not be proceeded once one of two proposals has been passed. Other than special reasons such as force majeure which results in the interruption of the meeting or makes it impossible to come to resolution, the shareholders' general meeting shall not set aside the proposals or withhold from voting.

Article 123 No change of the proposal by the shareholders' general meeting shall be allowed in the course of deliberating proposal at the meeting; otherwise, any amendment made to such proposal shall be considered as a new proposal, which shall not be eligible for voting at the same meeting.

Article 124 Each voting right shall be exercised either at the meeting, online, or by any of other available means. The first vote shall prevail in cases when a given voting right is exercised repeatedly.

Article 125 Where a shareholders' general meeting adopts vote by ballot, two shareholder representatives shall be appointed for the purpose of counting and monitoring the votes before voting on proposals. In the event that the shareholders are related to the proposals to be deliberated, such relevant shareholders or their proxies shall not be appointed for counting and monitoring the votes.

The lawyers, shareholder representatives and Supervisor representatives shall be jointly responsible for counting and monitoring the votes when the shareholders' general meeting commences voting on proposals. The voting results are to be announced immediately. The voting results on resolutions shall be recorded in the minutes of the meeting.

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

Article 126 Where a shareholders' general meeting adopts vote by ballot, shareholders attending the meeting shall vote in one of the following categories on the proposal to be voted on: vote in favor of the proposal, vote against the proposal, or abstain from voting on the proposal, save for the circumstance under which the securities registration and clearing institution, acting as the nominal holder of shares under the Stock Connect between Mainland and Hong Kong, makes reporting in accordance with the instruction of the de facto holders of relevant shares. Any unfilled, improperly filled or poorly handwritten votes or votes that are not cast shall be considered as abstentions from voting by the shareholders. Its respective shares shall be counted as "abstentions" in the voting results.

Article 127 The on-site meeting shall not close earlier than that held online or by other means. The chairman of the meeting shall announce the voting results on each proposal and decide whether a proposal has been passed or not based on its respective results.

Listed companies, counting and monitoring parties, significant shareholders, the online voting system provider and others involved in on-site, online or other kinds of voting at the shareholders' general meeting shall not disclose the voting results to any other party before such results are officially announced.

Article 128 The shareholders' general meeting shall prepare an integrated written resolution or specific written resolutions based on the voting results and minutes of the meeting after it has considered all the resolutions being proposed at such meeting. The chairman of the meeting shall be responsible for deciding whether or not a resolution is duly passed. The chairman's decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minutes of the meeting.

Resolutions of a shareholders' general meeting shall be announced timely, and the announcement shall contain the number of shareholders and proxies present, the total number of shares carrying voting rights and the percentage of the total voting shares of the Company, means of voting, the voting result for each proposal and the details of each resolution passed and other information as required by relevant laws and regulations or applicable securities listing rules.

Article 129 The chairman of the meeting shall be entitled to organize the counting for the votes if he/she challenges the voting result for any resolution. Provided that no counting has been organized by the chairman, such shareholders or their proxies attending the meeting who challenge the result of voting, shall be entitled to require an immediate count upon the announcement of the voting result. A second round of counting shall be immediately organized by the chairman.

Article 130 The results of vote counting at the shareholders' general meeting shall be recorded in the minutes of the meeting.

Such minutes of meeting, together with the signatures of the shareholders attending meeting and the powers of attorney concerning the proxies attend the meeting on behalf of others, shall be kept at the domicile of the Company.

Article 131 Shareholders may consult photocopies of the minutes of meetings free of charge during the business hours of the Company. In the event of any shareholder asking for photocopies of such minutes, the Company shall deliver the photocopies in seven days after receiving rational expenses.

Article 132 A special note should be marked in the announcement on resolutions of general meeting for the resolution regarding failed proposals or previous resolutions that were amended at this shareholders' general meeting.

Article 133 When a connected transaction is considered at a shareholders' general meeting, the connected shareholders shall abstain from voting. The voting shares represented by connected shareholders shall not be counted in the total number of shares with voting rights. In the event that connected shareholders are unable to abstain from voting in special circumstances, the resolution may be voted on in accordance with normal procedures upon the approval of relevant authorities.

- (1) When the shareholders' general meeting considers matters relating to a connected transaction, the connected shareholders shall withdraw from voting; where the meeting requires the connected shareholders to give explanations, the connected shareholders bear the duty and obligation to make truthful explanation at the meeting.
- (2) The chairman of the meeting shall announce at the beginning of the meeting where there are matters that connected shareholders shall withdraw from voting. Connection relationship mentioned in the preceding paragraph refers to the relationship between the Controlling Shareholders, de facto controllers, Directors, Supervisors, or senior management of the Company and the enterprise directly or indirectly controlled thereby and any other relationship that may lead to the transfer of any interest of the Company. However, the enterprises controlled by the state do not incur a connection relationship simply because their shares are controlled by the state.

The announcement on the resolutions of the shareholders' general meeting shall fully disclose the voting of the shareholders who are not connected parties. Material connected transactions shall be disclosed in regular or irregular reports.

Article 134 Where a resolution on the election of Directors or Supervisors is passed at the shareholders' general meeting, the term of office of the newly-elected Director or Supervisor shall commence on the date on which the relevant resolution is passed at the shareholders' general meeting. Where the laws and regulations require otherwise, the term of office of such Directors and Supervisors shall commence on the date of compliance with relevant laws and regulations.

Article 135 Where the shareholders' general meeting has passed proposals regarding cash distribution, bonus issue or conversion of statutory surplus reserve into share capital, the specific proposals shall be implemented within 2 months after the close of the general meeting.

Section 7 Special Procedures for Voting by Class Shareholders

Article 136 Shareholders holding different classes of shares shall be class shareholders.

Class shareholders enjoy rights and responsibilities, pursuant to laws, administrative regulations and the Articles of Association.

Except for holders of shares of other classes, the holders of domestic shares and overseas listed foreign shares are different classes of shareholders.

Article 137 Any variation or abrogation of the rights of any class of shareholders proposed by the Company shall be approved by a special resolution at the shareholders' general meeting and by the shareholders of the affected class at a separate class meeting convened in accordance with Article 139 to Article 143.

Article 138 The following circumstances shall be deemed to be variation or abrogation of the rights of shareholders of a certain class:

- (1) increase or decrease in the number of shares of that class, or increase or decrease in the number of shares of another class having the same or more rights in voting, distribution or other privileges;
- (2) conversion of all or part of the shares of that class into shares of other classes, or conversion of all or part of the shares of other classes into shares of that class or granting rights of such conversion;
- (3) removal or reduction of the entitlement and rights to receive or retain dividends attributable to shares of that class;
- (4) reduction or removal of the priority of the shares of that class to receive dividends or distribution in the event of liquidation of the Company;
- (5) increase, removal or reduction of the right of conversion, options, voting rights, the right to transfer, priority in placement of shares and the right to acquire securities of the Company attached to shares of that class;
- (6) removal or reduction of the right to receive sums payable by the Company in particular currencies attached to shares of that class;
- (7) creation of a new class of shares having the same or more rights in voting, distribution or other privileges;
- (8) imposing or strengthening the restriction on the transfer or holding of the shares of that class;
- (9) issue of rights to subscribe for or convert into shares of that class or other classes;
- (10) increase in the rights and privileges of shares of other classes;

- (11) proposed restructuring of the Company which shall result in different classes of shareholders having to assume disproportionate liabilities;
- (12) alteration or cancellation of the provisions set out in this chapter.

Article 139 Shareholders of the affected class, whether or not having the right to vote at the shareholders' general meeting, shall have the right to vote at the class meeting in relation to any of the matters referred to in items (2) to (8), (11) to (12) of Article 138 above, but interested shareholders shall abstain from voting at the relevant class meeting.

The term interested shareholders in the preceding paragraph shall have the following meanings:

- (1) in case of a repurchase of shares by the Company by way of a general offer to all shareholders in equal proportion or by way of open market transactions on a stock exchange in accordance with Article 33 of the Articles of Association, the controlling shareholders as defined herein shall be the "interested shareholders";
- (2) in case of a repurchase of shares by the Company by an over the counter agreement in accordance with Article 33 of the Articles of Association, the shareholders in relation to such agreement shall be the "interested shareholders";
- (3) in case of a proposed restructuring of the Company, shareholders who assume a relatively lower proportion of obligations than those imposed on the other shareholders of that class or who have an interest in the proposed restructuring that is different from the general interests in such proposed restructuring of the other shareholders of that class shall be the "interested shareholders".

Article 140 Resolution of a shareholders' class meeting shall be passed only by two-thirds or above of the total voting rights being held by the shareholders of that class, who are entitled to do so, present and vote at the shareholders' class meeting in accordance with Article 141.

Article 141 When the Company is to convene a shareholders' class meeting, it shall issue a written notice with reference to the notice period of extraordinary general meetings as set out in article 91 of these Articles of Association informing all the shareholders who are registered as shareholders of that class in the register of shareholders of the matters to be deliberated at the meeting as well as the time, date and place of the meeting.

Article 142 Notice of the shareholders' class meeting shall be served only on the shareholders entitled to vote thereat.

The shareholders' class meeting shall be held according to the procedures, to the extent possible, as that applicable to a shareholders' general meeting, unless otherwise specified in the Articles of Association. The provisions related to the procedures for the holding of a shareholders' general meeting in the Articles of Association shall be applicable to a shareholders' class meeting.

Article 143 The special procedures for voting by class shareholders shall not apply under the following circumstances:

- (1) with the approval by a special resolution at a shareholders' general meeting, the Company issues domestic shares and overseas listed foreign shares at intervals of 12 months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of its respective numbers of each of the issued and outstanding domestic shares and overseas listed foreign shares;
- (2) a plan of the Company to issue domestic shares and overseas listed foreign shares upon its establishment, and which had been completed within 15 months from the date of approval by the securities regulatory authority under the State Council;
- (3) with the approval of the securities regulatory authority under the State Council, the shareholders of domestic shares of the Company transfer their shares to overseas investors and list and trade the said shares on overseas stock exchanges.

Chapter 6 Board of Directors

Section 1 Directors

Article 144 Directors are natural persons and need not hold shares of the Company.

Article 145 The appointment and removal of Directors by the Company shall be filed with the securities regulatory authorities of the State Council. Where any person is prohibited by the CSRC from accessing the securities market within the ambit of Article 146 of the Company Law or Article 124 of the Securities Law and such prohibition period has not expired, and where any person shall not hold any directorship in the Company as stipulated by the Articles of Association, they shall not hold any directorship in the Company.

The election, appointment or engagement of Directors in contravention of this Article shall be void. Directors, involved in any of the circumstances specified in this Article during the term of their office shall be removed by the Company.

Article 146 The Board of Directors or shareholders individually or jointly holding more than 3% of the shares of the Company are entitled to nominate candidates for non-independent Directors to the shareholders' general meeting; the Board of Directors, the Supervisory Committee, or shareholders individually or jointly holding more than 1% of the issued shares of the Company are entitled to nominate candidates for independent Directors to the shareholders' general meeting. Investors protection institutions established in accordance with the law may publicly request shareholders to entrust them with the exercise of nominating independent Directors on their behalf.

Written notice of intention to nominate a candidate for the post of Director and the candidate's agreement to be nominated must be given to the Company seven days prior to the convening of the shareholders' general meeting (such seven-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 seven days prior to the shareholders' general meeting). The term of the nomination and the acceptance of the nomination shall be no less than seven days.

Article 147 Directors who are not employee representatives shall be elected or replaced at the shareholders' general meeting and could be removed from their office by the shareholders' general meeting before the expiry of the term thereof. A Director shall serve a term of three years and may seek reelection upon expiry of the said term. The term of a Director shall be calculated from the date upon which the resolution was approved at the shareholders' general meeting to the expiry of the current Board of Directors.

If a Director who is not an employee representative is removed by the shareholders' general meeting before his/her term of office expires, relevant explanation shall be provided. The Director being removed shall be entitled to state his/her opinion to the shareholders' general meeting, CSRC or its delegated authority.

Subject to the relevant laws and administrative regulations, a Director can be removed by an ordinary resolution passed at the shareholders' general meeting before the expiry of his/her term of office (such removal does not prejudice the Director's claim for damages pursuant to any contract).

Employee representative Directors shall be elected by the employees of the Company at the general meeting of employees' representatives, staff meeting or otherwise by democratic election to join the Board of Directors directly.

If the term of office of a Director expires but reelection is not made responsively, the said Director shall continue fulfilling the duties as Director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until a new Director is elected.

Article 148 Directors shall observe laws, regulations and the Articles of Association, and undertake the following fiduciary duties to the Company:

- (1) not to abuse their official powers to accept bribes or other unlawful income, and not to expropriate the assets of the Company;
- (2) not to misappropriate the capital of the Company;
- (3) not to open in their own names or in others' names any account for the purpose of depositing any of the Company's assets or capital;
- (4) not to lend monies of the Company to other persons or provide guarantee for other persons with the property of the Company counter to the Articles of Association or without the consent of the shareholders' general meeting or the Board of Directors;
- (5) not to conclude any contract or conduct transactions with the Company counter to the Articles of Association or without the consent of the shareholders' general meeting;
- (6) not to take advantage of their positions to seek for themselves or others business opportunities that are due to the Company, or conduct for themselves or others any businesses similar to those of the Company without the consent of the shareholders' general meeting;
- (7) not to receive as their own commission for transaction with the Company;

- (8) not to disclose secret of the Company without authorization;
- (9) not to use their connected relations to damage the interests of the Company;
- (10) to fulfill other fiduciary duties stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

Any incomes obtained by Directors in violation of any provisions of this Article shall belong to the Company. The Director shall be accountable to indemnify the Company against any losses incurred.

Article 149 Directors shall observe laws, administrative regulations and the Articles of Association, exercise the rights conferred by the Company with due discretion, care and diligence and undertake the following obligations of diligence to the Company:

- (1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure that the business operations of the Company comply with PRC laws, administrative regulations and all PRC economic policies and are not beyond the business scope specified in the business license of the Company;
- (2) to treat all shareholders impartially;
- (3) to carefully read the relevant business and financial reports of the Company and keep informed of the operation and management conditions of the Company in a timely manner;
- (4) to approve securities offering documents and regular reports of the Company in written form and to ensure the timely and fair disclosure of true, accurate and complete information by the Company;
- (5) to accept the lawful supervision and rational suggestions of the Supervisory Committee on their performance of duties; honestly provide the Supervisory Committee with the relevant circumstances and information, not to prevent the Supervisory Committee or Supervisors from exercising their functions and powers;
- (6) to personally exercise the legally conferred disposal right of the Company, shall not be manipulated by others; without the permit of laws and administrative regulations or without the approval of the shareholders' general meeting upon informed circumstances, shall not grant the disposal right to others for exercise;
- (7) to fulfill other obligations of diligence stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

Article 150 Except as specified in the Articles of Association or properly authorized by the Board of Directors, no Director shall act on behalf of the Company or the Board of Directors in his/her personal name. If a Director acts in his/her own name but a third party may reasonably think that the said Director is acting on behalf of the Company or the Board of Directors, the said Director shall make a prior statement of his/her standpoint and capacity.

Article 151 Where a Director is, personally or through other company in which he/she holds office, in any way directly or indirectly connected in a contract, transaction or arrangement (other than the service contract), he/she shall disclose the nature and extent of his/her connection to the Board of Directors at the earliest opportunity, whether or not such matter is subject to the approval of the Board of Directors in normal circumstances.

Unless the connected Director has disclosed his/her connection to the Board of Directors in accordance with the preceding paragraph and the above matter has been approved by the Board of Directors at a meeting in which the connected Director(s) is not counted in the quorum and has refrained from voting, such contract, transaction or arrangement is voidable by the Company except against a bona fide third party.

Article 152 In the event that a Director of the Company notifies the Board of Directors in writing and makes a representation that on the basis of contents of the notice, he/she will be interested in the contract, transaction or arrangement to be entered into by the Company before the Company firstly considers the relevant contract, transaction or arrangement, the relevant Director shall be deemed to have made a disclosure as required in the previous paragraphs.

Article 153 If any Director fails to attend board meetings in person or by proxy for two consecutive times, the said Director shall be deemed incapable of performing his/her duties and the Board of Directors shall suggest that the shareholders' general meeting dismiss the said Director.

Article 154 A Director may resign before his/her term of office expires. When a Director resigns, he/she shall submit a written resignation notice to the Board of Directors. The Board of Directors will disclose the relevant information within 2 days.

Article 155 If the number of Directors of the Board of Directors falls below the quorum as a result of any resignation, or the proportion of independent Directors in the Board of Directors of the Company or its special committees fall below the minimum requirements stipulated in the laws and regulations or the Articles of Association as a result of the resignation of an independent Director or there are no accounting professionals among independent Directors, their resignations shall not come into effect until the vacancies resulting from their resignations are filled by the appointment of the new Directors. Save as disclosed above, the resignation of Directors shall become effective when the resignation is served on the Board of Directors.

Article 156 Upon his/her resignation or expiry of his/her term of office, the duties of Directors to the Company and the shareholders are not necessarily released when his/her resignation is not effective or within a reasonable period after his/her resignation becomes effective or upon the expiry of his/her term of office. The duty of confidentiality in respect of trade secrets of the Company survives the termination of his/her term of office until such trade secrets become publicly known. Other duties may continue for such period as the principle of fairness may require depending on the amount of time which has lapsed between the termination and the act concerned and the specific circumstances and conditions under which the relationship between the Director and the Company was terminated.

Article 157 If a Director violates any laws, administrative regulations, departmental rules and the Articles of Association during performing his/her duties of the Company and causes losses to the Company, such a Director shall be liable for compensation.

Article 158 The provisions on the obligations of a Director in this section shall apply to the Supervisors, President and other senior management of the Company.

Article 159 The Company shall have independent Directors, except for the satisfaction with the relevant qualifications requirements for an independent Director stipulated in the Articles of Association, the independent Directors shall also have the qualifications and independence required by relevant laws, regulations, rules, the listing rules of the place where the shares of the Company are listed and normative documents. The number of independent Directors of the Company shall not be less than the minimum required by national laws, regulations and the securities regulatory authority of the place where the shares of the Company are listed.

Article 160 The tenure of the independent Directors is the same as those of other Directors of the Company but shall not serve for more than 6 years. If an independent Director resigns or is dismissed during his/her term of office, the independent Director itself and the Company shall submit a written statement to the delegated authority of the CSRC where the Company is located and the shareholders' general meeting respectively.

Article 161 The independent Directors shall perform the following duties:

- (1) to participate in the decision making of the Board of Directors and express clear opinions on the matters discussed;
- (2) to supervise the potential material conflict of interests between the Company and its controlling shareholders, actual controllers, directors and senior management in accordance with relevant laws, regulations, rules and normative documents, so as to promote the decision making of the Board of Directors to be in line with the overall interests of the listed company and protect the legitimate rights and interests of minority shareholders;
- (3) to provide professional and objective advice on the operation and development of the Company and promote the improvement of the decision making level of the Board of Directors;
- (4) other duties stipulated by laws, regulations, relevant provisions of the stock exchange and the Articles of Association.

The independent Directors shall submit an annual working report at the annual general meeting of the Company to explain their performance of duties.

If the independent Directors fail to perform their duties, they shall be liable for the corresponding responsibilities.

Article 162 The independent Directors shall exercise the following special functions and powers:

- (1) to independently engage intermediaries to conduct audit, advise or verification on specific matters of the Company.
- (2) to propose to the Board of Directors of convening an extraordinary general meeting;
- (3) to propose to convene a Board of Directors meeting;
- (4) to publicly solicit shareholder rights from shareholders in accordance with the law;
- (5) to express independent opinions on matters that may impair the interests of the Company or minority shareholders;
- (6) other functions and powers stipulated by the laws, regulations, relevant provisions of the stock exchange and the Articles of Association.

The independent Directors shall exercise the functions and powers in items (1) to (3) above with the approval of a majority of all independent Directors.

If an independent Director exercises the functions and powers listed in the first paragraph of this Article, the Company shall disclose them in a timely manner. Where the above functions and powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Article 163 The provisions on a Director as stated in the Articles of Association shall be applicable to independent Directors.

Section 2 Board of Directors

Article 164 The Company shall have a Board of Directors accountable to the shareholders' general meeting. The Board of Directors consists of 15 Directors, including executive Directors and non-executive Directors. Executive Directors comprise Directors who serve as senior management members and assume other operation and management positions within the Company; and Directors other than executive Directors are non-executive Directors, including independent Directors and employee representative Directors.

The Board of Directors consists of at least one-third of independent Directors, including one employee representative Director. The Board of Directors shall have a chairman and may have a vice chairman.

Article 165 The Board of Directors shall perform the following duties:

- (1) to convene shareholders' general meetings and to report to shareholders' general meetings;
- (2) to implement the resolutions of the shareholders' general meetings;
- (3) to determine operation plans and investment plans of the Company;

- (4) to formulate annual preliminary and final financial budgets of the Company;
- (5) to formulate the profit distribution plans and plans for recovery of losses of the Company;
- (6) to formulate proposals of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;
- (7) to formulate plans for any substantial acquisition by the Company, repurchase of the shares of the Company, because of the circumstances (1) and (2) as required in Article 32 of the Articles of Association or merger, division, dissolution and change in nature of the Company;
- (8) to decide on matters relating to the Company's external investments, disposal of substantial assets, financing, mortgage of assets, external guarantees, connected transactions and external donation as authorized by the shareholders' general meetings;
- (9) to decide on the establishment of the Company's internal management structure;
- (10) to decide to appoint or dismiss the Company's President; decide to appoint or dismiss Chief Risk Officer, Chief Compliance Officer and Secretary to the Board of Directors based on the nominations of Chairman of the Board of Directors; to decide to appoint or dismiss other senior management including the Company's Vice President and Chief Finance Officer based on the nominations of President, and conduct appraisals of the above personnel to determine their remuneration and penalties;
- (11) to formulate the basic management policies of the Company;
- (12) to formulate proposals for any amendments to the Articles of Association;
- (13) to manage the disclosure of information of the Company;
- (14) to propose to the shareholders' general meeting the appointment or change of the accounting firm acting as the auditors of the Company;
- (15) to consider and review the working report and the work of the President of the Company;
- (16) to determine the compliance management objectives of the Company, to undertake responsibility on the effectiveness of compliance management, and fulfil compliance management duties, including but not limited to: to consider and approve the fundamental policy for compliance management and the annual compliance reports, to establish the mechanism for direct communication with the Chief Compliance Officer, to evaluate the effectiveness of compliance management, to supervise the rectification of issues in compliance management;
- (17) to promote the Company's risk culture development, consider and approve the Company's basic regulatory system for overall risk management, risk preferences, risk tolerance and major risk limits, consider the Company's regular risk assessment reports, establish direct communication with the Chief Risk Officer and undertake the ultimate responsibilities for the Company's overall risk management;

- (18) to decide on repurchase of shares of the Company under circumstances as prescribed under items (3), (5) and (6) of Article 32 of the Articles of Association;
- (19) to determine the overall target and basic strategies of corporate culture construction, and be responsible for the effectiveness of culture construction;
- (20) to review the Company's sustainability strategy and environmental, social and governance (ESG) vision, objectives, etc. and be responsible for their effectiveness;
- (21) other duties and powers granted by the laws, regulations and the Articles of Association.

Resolutions regarding increase or reduction of registered capital, issuance of bonds, merger, division, dissolution and amendments to the Articles of Association of the Company shall be passed with the approval of over two-thirds of all Directors and other resolutions shall be passed with the approval of over half of all Directors.

Article 166 The Board of Directors shall make explanation at the shareholders' general meeting for the non-standard audit opinions on the financial report of the Company issued by the certified public accountant.

Article 167 The Board of Directors shall formulate the rules of procedures of the Board of Directors to ensure the working efficiency and scientific decision making.

Article 168 The Board of Directors shall determine its decision-making authorizations as per the following requirements and formulate stringent examination and approval system; Specialists or professionals shall be retained to evaluate major investment projects:

- (1) external guarantee matters which may not be submitted to the shareholders' general meeting for consideration as required by the Articles of Association;
- (2) any matters concerning guarantee and counter guarantee provided for the Company's own liabilities due to its own financing and business development needs;
- (3) any matters concerning disposal of major assets, financing and external investment with funds used for each or accumulated funds used in four consecutive months accounting for 5% or more of the latest audited net assets of the Company, which may not be submitted to the shareholders' general meeting for consideration as required by the Articles of Association;
- (4) any contemplated connected transactions between the Company and its connected person in an amount over RMB3 million and accounting for 5% or more of the latest audited absolute value of net assets of the Company, which shall be effected after being submitted to the Board of Directors for consideration and approval upon consideration and approval by the independent Directors of the Company at a special meeting; Any material connected transactions matters which shall be submitted to the shareholders' general meeting for consideration as per the Articles of Association, shall also be submitted to the shareholders' general meeting for consideration and approval. Other connected transactions matters which shall be determined by the Board of Directors as required by the listing rules of the place where the shares of the Company are listed.

When disposing fixed assets, the Board of Directors shall not, without prior approval of the shareholders' general meeting, dispose or agree to dispose of any fixed assets of the Company where the aggregate amount of the expected consideration for the proposed disposal and the proceeds from any such disposal of any fixed assets of the Company completed within four months immediately preceding the proposed disposal exceeds 33% of the value of fixed assets of the Company as shown in the latest balance sheet considered at the shareholders' general meeting. For the purposes of this Article, disposal of fixed assets includes the transfer of interest in assets but does not include the charge of fixed assets as security. The validity of a disposal of fixed assets by the Company shall not be affected by any breach of this Article.

The above authorizations shall be also subject to the applicable provisions of the listing rules of the place where the shares of the Company are listed. If the applicable provisions of the Articles of Association and the listing rules of the place where the shares of the Company are listed both apply to the same matter, principle applying more stringent provisions shall be adopted as the decision-making authorization.

Article 169 Chairman and vice chairman shall be Directors and shall be elected by over half of the members of the Board of Directors.

Article 170 Chairman of the Board of Directors shall exercise the following duties and powers:

- (1) to preside the shareholders' general meeting and convene and preside the meeting of the Board of Directors;
- (2) to urge and examine the implementation of resolutions of the Board of Directors;
- (3) to execute the certificates of shares, bonds and other negotiable securities of the Company;
- (4) to sign major documents of the Board of Directors and other documents that shall be signed by the legal representative(s) of the Company;
- (5) to exercise the duties and powers of legal representative(s);
- (6) other duties and powers granted by the Board of Directors.

Article 171 The vice chairman of the Company shall assist the chairman in working. Where the chairman is unable to or does not perform his/her duties, the vice chairman shall perform such duties (if the Company has two or more than two vice chairman, then more than one half of the Directors shall elect one vice chairman to perform such duties). Where the vice chairman is unable to or does not perform his/her duties, more than one half of the Directors shall elect one Director to perform such duties.

Article 172 The meetings of the Board of Directors shall be held at least four times a year. Such meetings shall be convened by the chairman. Written notice of the meeting shall be given to all Directors at least fourteen days before convening the meeting.

Article 173 When it falls within one of the following circumstances, the chairman shall convene an extraordinary meeting within ten days:

- (1) when the shareholders representing more than one-tenth of voting rights make a proposal;
- (2) when the chairman thinks necessary;
- (3) when more than one-third Directors jointly make a proposal;
- (4) when the Supervisory Committee makes a proposal;
- (5) when the President makes a proposal;
- (6) when over half of the independent Directors make a proposal;
- (7) other circumstances stipulated by relevant laws, regulations, rules, normative documents and the Articles of Association.

Article 174 The notice of extraordinary meeting of the Board of Directors shall be delivered by hand, post or facsimile, and the time period for notification shall be five days before the date of meeting. In the case of emergency when it is required to convene the extraordinary meeting of the Board of Directors, the Board of Directors may issue the notice for the meeting at any time by telephone, facsimile or email, but the convener shall give explanation at the meeting.

Article 175 The notice of the Board of Directors meeting shall include the following:

- (1) the date and venue of the meeting;
- (2) the duration of the meeting;
- (3) the reasons for holding meeting and subject matters for the meeting;
- (4) the date of issuing the notice.

Article 176 The quorum of the meeting of the Board of Directors shall be over half of the Directors unless otherwise stipulated in the Articles of Association. Each Director shall have one voting right. Unless otherwise provided in the Articles of Association, the resolutions of the Board of Directors shall be passed with the approval of over half of all Directors.

In the case of an equality of votes, the chairman of the Board of Directors shall be entitled to one additional vote.

Article 177 Where a Director is related to the enterprises involving in the resolution discussed in the meeting of the Board of Directors, such Director shall neither exercise his/her voting right on such resolution nor exercise the voting right on behalf of other Directors. Such meetings of the Board of Directors may be held with the attendance of over half of the non-related Directors, and the resolutions made by the meetings of the Board of Directors must be passed with the approval of over half of the non-related Directors. Where the number of non-related Directors is less than three, relevant matters shall be submitted to the shareholders' general meeting for approval.

Article 178 The Board of Directors meeting shall be convened by way of physical meetings, or through video and teleconference to ensure that the Directors can fully express their opinions; If the meeting is convened through video and teleconference, the voting and resolutions can be made by means of facsimile.

The Board of Directors meeting may be convened by way of combination with physical meetings, or through video and teleconference as needed.

Should a physical meeting or a video or telephone conference be unable to be held in case of emergency or owing to force majeure or other special reasons, the voting can be made in writing by means of letter and facsimile, which means that the Directors shall sign the vote opinions and serve them on the Company within the specified time by means of letter or facsimile.

Article 179 The meetings of the Board of Directors shall be attended in person. Where the Directors are unable to attend the meetings for any reasons, other Directors may be delegated to attend the meetings on behalf with written consent.

The power of attorney shall specify the name of the proxy, the entrusted matters, the scope of authorization and validity period, and shall be signed or sealed by the appointing Director. The appointed Director who attends the meeting shall exercise the duties of the Director within the scope of authorization. In the event that a Director does not attend a Board of Directors meeting in person and does not appoint a proxy to attend the meeting, such Director shall be deemed to have waived the voting rights at the meeting.

Article 180 Voting of the Board of Directors shall be conducted by name-recording ballots or a show of hands.

Article 181 The meeting of the Board of Directors should keep minutes. The Directors attending the meeting and the recorders shall sign on the minutes of the meeting. Directors attending the meeting are entitled to request that an explanation of his/her comments made at the meetings be noted in the minutes. The minutes of meetings of the Board of Directors shall be maintained as corporate archives by the Secretary to the Board of Directors for a period of not less than 20 years.

Article 182 The minutes of the Board of Directors shall consist of the following:

- (1) the date and venue of the meeting and the name of the convener;
- (2) the names of the Directors present and names of Directors being appointed to attend the meeting on the other's behalf (proxy);
- (3) the agenda of the meeting;
- (4) the main points of Directors' speeches;
- (5) the voting method of each resolution and the results (the results shall specify the number of votes for, against and abstaining).

Article 183 Directors shall sign on the resolutions of the Board of Directors and bear the responsibilities for the resolutions of the Board of Directors. Where the resolutions of the Board of Directors violate the laws, regulations or the Articles of Association, resulting in losses to the Company, the Directors participating in the resolutions shall be liable to compensate the Company, but the Directors that have expressed their objections which have been recorded on the minutes in the meeting may be exempted from the liabilities.

Article 184 The Company shall disclose to the shareholders on a regular basis the remunerations that the Directors, Supervisors, President and other senior management receive from the Company.

Section 3 Committees under the Board of Directors

Article 185 The Board of Directors of the Company has set up special committees including a strategy development committee, compliance and risk management committee, audit committee, and remuneration and nomination committee. All members of the committees shall be Directors and members shall have the professional knowledge and work experience adaptable to their duties in the specialized committee. The independent Directors shall constitute more than half of the audit committee and the remuneration and nomination committee and shall be the convenors. The members of the audit committee shall be Directors who do not serve as senior management of the Company, and the convenor shall be an accounting professional.

Article 186 The specialized committee may engage external professionals to provide services, and the expenses reasonably incurred shall be borne by the Company.

The committees shall be accountable to the Board of Directors and submit work reports or meeting minutes to the Board of Directors in accordance with the Articles of Association. The Board of Directors shall listen to the opinions of the committees before the Board of Directors makes a resolution related to duties of committees.

Article 187 The principal duties of the strategy development committee shall include:

- (1) to research and recommend on the long term development strategy of the Company;
- (2) to research and recommend on significant investment and financing plans approved by the Board of Directors;
- (3) to research and recommend on significant capital operation and asset operation approved by the Board of Directors;
- (4) to research and recommend on other significant matters affecting the development of the Company;
- (5) to review the implementation of the above matters;
- (6) to perform such other duties determined by the Board of Directors and specified by the listing rules or regulatory rules of the place where the shares of the Company are listed.

Article 188 The principal duties of the compliance and risk management committee shall include:

- (1) to review and opine on overall objectives and basic policies of compliance management and risk management;
- (2) to review and opine on establishment of specific departments and duties of compliance management and risk management;
- (3) to evaluate and opine on the risk of major decisions subject to the approval of the Board of Directors and solution to eliminating such major risk;
- (4) to review and opine on compliance reports and risk evaluation reports subject to the approval of the Board of Directors;
- (5) to perform such other duties determined by the Board of Directors and specified by the listing rules and regulatory rules of the locality where the shares of the Company are listed.

Article 189 The principal duties of the audit committee shall include:

- (1) to be responsible for reviewing the financial information of the Company and its disclosure, supervising and evaluating internal and external audit work and internal control (disclosure of financial information in financial accounting reports and regular reports and internal control evaluation reports shall be submitted to the Board of Directors for consideration with the consent of more than half of the members);
- (2) to propose the appointment, dismissal or replacement of the accounting firm responsible for the Company's audit engagement (which shall be submitted to the Board of Directors for consideration with the consent of more than half of the members);

- (3) to appoint or dismiss the financial officer of the Company (which shall be submitted to the Board of Directors for consideration with the consent of more than half of the members);
- (4) to make decisions on changes in accounting policies and accounting estimates or corrections of material accounting errors due to reasons other than changes in accounting standards (which shall be submitted to the Board of Directors for consideration with the consent of more than half of the members);
- (5) to be in charge of the communications between the Company's internal and external auditors;
- (6) other matters stipulated by laws and regulations, relevant provisions of the stock exchange and the Articles of Association.

Article 190 The principal duties of the remuneration and nomination committee shall include:

- (1) to be responsible for developing the election standards and procedures of the Directors and senior management; selecting and reviewing the candidates for Directors and senior management and their qualifications for appointment; reviewing the structure, size and composition of the Board of Directors (including the expertise, knowledge and experience) annually;
- (2) to make recommendations on the nomination, appointment and removal of Directors and the appointment or dismissal of senior management;
- (3) to be responsible for developing and evaluating the assessment standards for Directors and senior management, formulating and reviewing the remuneration policies and schemes for Directors and senior management (including making recommendations on the remuneration of Directors and senior management);
- (4) to make recommendations on the formulation or amendment of share incentive scheme and employee stock ownership plan, the grant of rights and interests to incentive participants and the fulfilment of conditions for exercise of rights and interests;
- (5) to make recommendations on the arrangement of the stock ownership plan for Directors and senior management in related to the proposed spin off of subsidiary (ies);
- (6) matters stipulated by laws and regulations, the provisions of the CSRC and the Articles of Association.

Article 191 A meeting of each specialized committee shall be convened only when more than half of the members are present at the meeting; each member has one vote; the resolutions made in the meeting shall be passed with the approval of over half of all members.

The Board of Directors shall formulate working rules to indicate ways of the exercise of functions including the convening and voting of the meeting of each specialized committee.

Section 4 Secretary to the Board of Directors

Article 192 The Company shall have a Secretary to the Board of Directors. The Secretary to the Board of Directors shall be a senior management of the Company and be accountable to the Board of Directors.

Article 193 The Secretary to the Board of Directors shall have the requisite professional knowledge and working experience and shall be appointed by the Board of Directors. The provisions herein in relation to the conditions prohibiting a person from acting as a Director of the Company shall be applicable to the Secretary to the Board of Directors.

Article 194 The principal duties of the Secretary to the Board of Directors shall include preparing for shareholders' general meeting and meetings of the Board of Directors, maintaining documents and managing shareholders' information, handling matters related to information disclosure, and performing other duties required by relevant laws, regulations, listing rules applicable to the place where the Company's stocks are listed or granted by the Board of Directors.

Directors of the Company (other than independent Directors) or other senior management may serve as the Secretary to the Board of Directors concurrently. The accountants of the accountant firm and the lawyers of the law firm engaged by the Company shall not serve as the Secretary to the Board of Directors concurrently.

Article 195 The Company shall facilitate the Secretary to the Board of Directors to perform duties and Directors, Supervisors and other senior management and related staff shall support and cooperate with the Secretary to the Board of Directors.

Article 196 The Secretary to the Board of Directors shall be nominated by the chairman of the Board of Directors and be appointed and removed by the Board of Directors. In the event that an act shall be made respectively by Directors and the Secretary to the Board of Directors, a person serving both as a Director and the Secretary to the Board of Directors shall not make such an act by relying on his/her dual identity.

Chapter 7 President and Other Senior Management

Article 197 The Company shall have one President, who shall be appointed or removed by the Board of Directors. Directors may be appointed concurrently as the President, Vice Presidents or other senior management. However, the number of Directors concurrently serving as the President, Vice Presidents or other senior management and the number of employee representative Directors in aggregate shall not exceed half of the total number of the Directors of the Company.

Article 198 A person shall not serve as a President of the Company if such person faces any of the circumstances specified in Article 146 of the Company Law or in Article 124 of the Securities Law, or has been prohibited from entering the securities market by the CSRC, where such prohibition period has not expired.

A person who holds an administrative post other than a Director, supervisor in an entity owned by the controlling shareholder of the Company shall not act as the senior management of the Company. Senior management members of the Company shall receive their remuneration only from the Company without being paid by controlling shareholders.

The appointment and removal of senior management by the Company shall be filed with the securities regulatory authorities of the State Council.

Article 199 The President shall be appointed for a term of three years subject to re-appointment.

Article 200 The President shall be accountable to the Board of Directors and perform the following duties:

- (1) to be in charge of the production and operation management of the Company and report his/her work to the Board of Directors;
- (2) to organize the implementation of the resolutions by the Board of Directors, annual operation plan and investment plan of the Company;
- (3) to formulate the internal management structure of the Company;
- (4) to formulate the basic management policies of the Company;
- (5) to formulate rules and regulations for the Company;
- (6) to take charge of achieving the compliance management objectives, to undertake responsibility of compliant operation, to fulfil compliance management duties, including but not limited to: to establish a sound organizational structure for compliance management, to follow the compliance management procedures, to delegate adequate and suitable compliance management officers and to offer them sufficient human resources, material resources, financial resources, technical support and guarantee for their performance of duties, to timely report and rectify identified non-compliance and implementing accountability, to perform other compliance management duties as stated in the Articles of Association or relevant systems of the Company, or as determined by the Board of Directors;
- (7) to be responsible for implementing the Company's overall risk management initiatives, developing the risk management system, establishing and improving the Company's risk management structure, developing the specific risk management plans and overseeing their implementation, regularly assessing the Company's management of overall risks and significant risks and solving the existing problems, establishing an overall performance appraisal system that covers the effectiveness of risk management, establishing the information technology system and data quality control mechanism and undertaking the primary responsibility for overall risk management;
- (8) to propose to the Board of Directors the appointment or dismissal of the Vice Presidents, Chief Financial Officer and other senior management;

- (9) to appoint or dismiss management members other than those required to be appointed or dismissed by the Board of Directors;
- (10) to prepare plans for salary, welfare, incentive and penalty and decide the employment and dismissal of employees of the Company;
- (11) to propose to the Board of Directors the convening of interim meetings;
- (12) to decide matters on disposal of material assets, financing and foreign investment of which single operation capital or accumulated operation capital in four months does not fall within the consideration authority limit of the Board of Directors;
- (13) to perform other duties delegated by the Articles of Association or the Board of Directors.

The senior management, such as Vice President and the Chief Financial Officer shall be in charge of relevant work respectively under the leadership of the President. The Chief Risk Officer shall be responsible for the overall risk management, such as implementation of the risk management strategies and policies of the Company.

The senior management in charge of compliance management, risk management and the audit department shall not concurrently hold other positions or take charge of other departments that have conflicting duties with their incumbency.

The operational management of the Company shall be responsible for implementing the requirements of the Company's Board of Directors in relation to corporate culture construction and carrying out detailed works of corporate culture construction, which include but are not limited to facilitating culture construction, formulating the general framework and implementation procedures of culture construction, reviewing and considering the Company's rules and policies of culture construction, reporting to the Board of Directors on culture construction works and implementing the performance appraisal and reward and punishment system related to culture construction. A sustainable development committee and working group shall be established under the Company's operational management to formulate the Company's sustainable development vision, objectives and strategies and coordinate and promote ESG-related work.

Article 201 A President who is not a Director may attend the meetings of the Board of Directors, but shall not have the right to vote.

Article 202 The President shall report to the Board of Directors or Supervisory Committee on the signing and execution of material contracts, application of funds, profit and loss as well as risk management of the Company as requested by the Board of Directors or Supervisory Committee. The President shall ensure the trueness of the report.

Article 203 The President shall first consider the opinions of the labour union and staff representatives committee before making decisions relating to issues such as wages, benefits, occupational safety as well as labour protection, labour insurance, termination of employment (or discharge) in advance and dismissal of staff, all of which involve the vital interests of the staff.

Article 204 The President shall formulate detailed working rules for President and seek the approval from the Board of Directors before implementation thereof.

Article 205 The detailed working rules for the President shall include:

- (1) the conditions, procedures and attendees for convening a President's meeting;
- (2) the respective duties and division of responsibilities among the President, Vice Presidents and other senior management;
- (3) the application of the Company's assets and the limits of his authority to enter into contracts;
- (4) the mechanisms for reporting to the Board of Directors and Supervisory Committee;
- (5) such other matters as the Board of Directors may think necessary.

Article 206 If a senior management violates any laws, administrative regulations, departmental rules and the Articles of Association during performing his/her duties of the Company and causes losses to the Company, such a senior management shall be liable for compensation.

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

The senior management shall approve securities offering documents and regular reports of the Company in written form and ensure the timely and fair disclosure of true, accurate and complete information by the Company.

Article 207 A senior management may resign before expiry of his/her term of office.

Chapter 8 Supervisory Committee

Section 1 Supervisors

Article 208 The positions of Supervisors shall be assumed by shareholder representatives and employee representatives of the Company.

Article 209 A person shall not serve as a Supervisor of the Company if such person faces any of the circumstances specified in Article 146 of the Company Law or in Article 124 of the Securities Law, or has been prohibited from entering the securities market by the CSRC, where such prohibition period has not expired. The appointment and removal of Supervisors by the Company shall be filed with the securities regulatory authorities of the State Council.

Article 210 Directors, President and other senior management shall not concurrently act as Supervisor.

Article 211 The term of office of a Supervisor shall be three years. Supervisors who are not employee representatives shall be elected or replaced by the shareholders' general meeting and Supervisor who are employee representatives shall be democratically elected or replaced by the Company's employees. The term of office of a Supervisor is renewable upon re-election and re-appointment.

The Supervisory Committee and shareholders individually or jointly hold more than 3% of the shares of the Company may nominate candidates for Supervisors who are not employee representatives for election at the shareholders' general meeting. If the number of Directors nominated by any shareholder of the Company accounts for no less than one half of the total members of the Board of Directors, then the number of Supervisors nominated by such shareholder shall not exceed one third of the total members of the Supervisory Committee.

Article 212 Any Supervisor who fails to attend Supervisory Committee meetings in person or by proxy three times consecutively, shall be deemed non-performance of duties and shall be removed and replaced by the shareholders' general meeting or the general meeting of employees' representatives.

If a Supervisor who is not an employee representative is removed from his/her office by the shareholders' general meeting before the expiration of his/her term, relevant explanation shall be provided. The Supervisor being removed shall be entitled to express opinions at the shareholders' general meeting, to the CSRC or its local branches.

Article 213 The Supervisors shall ensure that all information disclosed by the Company is true, accurate and complete and shall sign the written confirmation on regular reports.

Article 214 The Supervisors may attend the meetings of the Board of Directors and raise questions or make suggestions with respect to the resolutions of the Board of Directors.

Article 215 The Supervisors shall not damage the interests of the Company by utilizing their affiliated relationships; otherwise, such Supervisors shall be liable to make compensations to the Company if any losses caused by them.

Article 216 A Supervisor may apply for resignation before the expiration of his/her term of office. If the resignation of a Supervisor causes the number of members on the Supervisory Committee falling below the quorum or if the resignation of an employee representative Supervisor causes the number of employee representative Supervisors to be less than one third of the members of the Supervisory Committee, their resignations shall not come into effect until the vacancies resulting from their resignations are filled by the appointment of the new Supervisors. Save as disclosed above, the resignation of Supervisors shall become effective when the resignation is served on the Supervisory Committee.

Article 217 A Supervisor is obligated to perform his/her duties with diligence and in good faith in accordance with laws, administrative regulations and the Articles of Association.

Section 2 Supervisory Committee

Article 218 The Company shall have the Supervisory Committee. The Supervisory Committee shall consist of seven Supervisors, of which the employee representatives shall account for at least one third. The employee representatives in the Supervisory Committee are elected by the staff of the Company through employee representatives' meeting, staff meeting or otherwise by democratic election.

Article 219 The Supervisory Committee shall have a chairman and may have a vice chairman. The chairman of the Supervisory Committee shall be in charge of the work of the Supervisory Committee and be responsible for convening and presiding over meetings thereof. The chairman shall report his work to the shareholders' general meeting on behalf of the Supervisory Committee. Where the chairman of the Supervisory Committee is incapable of performing or fails to perform his/her duties, the vice chairman of the Supervisory Committee shall perform such duties on behalf of the chairman. Where the vice chairman is incapable of performing or fails to perform his/her duties, a Supervisor elected by not less than half of the Supervisors shall perform such duties on behalf of the vice chairman.

The appointment and removal of the chairman and vice chairman of the Supervisory Committee shall be determined by the affirmative votes of two-thirds or more of the members of the Supervisory Committee.

Article 220 The Supervisory Committee shall perform the following duties:

- (1) to review the securities offering documents and periodical reports of the Company prepared by the Board of Directors and to provide written comments thereon; the Supervisors shall provide written confirmation and ensure the timely and fair disclosure of true, accurate and complete information by the Company;
- (2) to inspect the financial and compliance management of the Company;
- (3) to supervise and inspect the duty performance of the Board of Directors and senior management in respect of risk management and rectification, and to undertake the responsibility for supervising the Company's overall risk management;
- (4) to supervise the performance of compliance management duties by the Directors and senior management;
- (5) to require Directors, President or other senior management to rectify their behaviors in breach of relevant laws, regulations or the Articles of Association or damaging the interests of the Company, shareholders or customers during the performance of their duties within a limited period. Where the damage is material or relevant Directors or senior management fail to rectify such behaviors within the required period, proposal shall be made to remove such Directors or senior management or to convene a shareholders' general meeting to submit a special resolution to such shareholders' general meeting. The Supervisory Committee may propose the dismissal of any Directors or senior management members who assume the primary and leadership responsibility for material compliance risks;

- (6) to report material breaches of Directors and senior management directly to the CSRC or its local branches;
- (7) to require the Board of Directors to rectify its resolutions that are in breach of relevant laws, administrative regulations or the requirements of the CSRC;
- (8) to propose to convene an extraordinary general meeting and to convene and preside over the shareholders' general meeting if the Board of Directors fails to do so as required by the Company Law or the Articles of Association;
- (9) to propose motions in a shareholders' general meeting;
- (10) to examine the financial information such as the financial reports, operating reports and distribution plans of profits to be submitted by the Board of Directors to the shareholders' general meetings. Where any irregularities are found, the Supervisory Committee may engage certified public accountants or certified auditors to help to recheck in the name of the Company;
- (11) to initiate litigations against Directors, President and other senior management of the Company in accordance with the provisions of the Company Law or the Articles of Association;
- (12) to perform other duties as stipulated in the Articles of Association of the Company or granted by shareholders' general meeting.

Article 221 The Supervisory Committee may initiate an investigation in the event that there are any unusual circumstances found in the operations of the Company; and if necessary, it may engage a law firm, accounting firm or other professional institutions to assist in its work at the expenses of the Company.

Article 222 The Supervisory Committee shall convene at least one meeting every six months and the meeting notice shall be delivered to all Supervisors ten days prior to the convening of the meeting. An extraordinary meeting of the Supervisory Committee shall be convened if so proposed by the Supervisors. The meeting notice shall be made in writing and delivered to all Supervisors by hand, post or fax five days prior to the convening of the meeting. In case of an emergency in which an extraordinary meeting must be held as soon as possible, the meeting notice can be sent via phone, fax, e-mail or other verbal communications, but the convener of the meeting shall give an explanation at the meeting.

Article 223 A notice of the meeting of Supervisory Committee shall contain the following: the meeting date, place and duration, causes, matters for discussion and the issue date of the notice.

Section 3 Resolutions of the Supervisory Committee

Article 224 The meeting of the Supervisory Committee shall be held when more than 50% Supervisors of the Supervisory Committee attend the meeting. Each Supervisor shall have one voting right.

Article 225 The Supervisory Committee shall organize on-site meetings, video conferences or teleconferences to ensure that all Supervisors may fully express their opinions. For any meetings convened via video or telephone, votes may be made and resolutions may be adopted by facsimile.

The meetings of the Supervisory Committee may adopt the form of onsite meetings, video conferences, teleconferences or a combination thereof, if necessary. If the meeting cannot be convened on site or via video or telephone due to emergency or force majeure and other special reasons, voting may be made by letter or facsimile, namely, the result of voting shall be signed by all Supervisors and sent to the Company by letter or facsimile within the specified timeframe.

Resolutions made by the Supervisory Committee shall be approved by more than two-thirds of the members of the Supervisory Committee.

Article 226 The chairman of the Supervisory Committee shall decide whether the votes on resolutions shall be made by open ballot or by a show of hands.

Article 227 The Supervisory Committee shall maintain meeting minutes. Supervisors attending the meeting and the recorders shall sign on the minutes. Each Supervisor shall be entitled to request that an explanation of his/her comments made at the meeting shall be recorded in the minutes. The archives of a meeting of the Supervisory Committee (including meeting notice and meeting materials, attendance book, audio recording materials of the meeting, votes, minutes signed and confirmed by the participating Supervisors, resolution notice and others) shall be maintained by a person appointed by the chairman of the Supervisory Committee for a term of no less than 20 years.

Chapter 9 Chief Compliance Officer

Article 228 The Company shall have a Chief Compliance Officer who is responsible for the compliance of the Company and a senior management of the Company. The Chief Compliance Officer shall be accountable to the Board of Directors. The Chief Compliance Officer shall report his/her daily work to the chairman.

The Chief Compliance Officer shall not concurrently hold a post contrary to his/her compliance management duties and shall not be in charge of a department of which the functions are contrary to the compliance management duties.

The Chief Compliance Officer shall have the qualifications required by laws and regulations, be nominated by the chairman, appointed and removed by the Board of Directors. For the appointment of the Chief Compliance Officer, the Company shall file his/her resume and the relevant certification materials to the relevant local branch office of the CSRC. The Chief Compliance Officer of the Company shall take office upon the approval by the relevant local branch office of the CSRC. The dismissal of the Chief Compliance Officer by the Company before the expiry of his/her term of office shall be supported by proper reasons. A written report on the reasons thereof shall be submitted to the local branch office of the CSRC 10 working days before the relevant meeting of the Board of Directors is convened.

If the Chief Compliance Officer is unable to perform his duties or is absent, his duties shall be performed by the chairman of the Board of Directors or the President of the Company. A written report shall be submitted to the relevant local branch office of the CSRC within 3 working days from the date of such determination. The period during which the duties of the Chief Compliance Officer are performed by the chairman or President shall not exceed six months.

The Chief Compliance Officer may tender his/her resignation to the Board of Directors one month in advance and shall also report to the relevant local branch office of the CSRC. The Chief Compliance Officer shall continue to perform his/her duties until the resignation is approved.

In the event that the Chief Compliance Officer is absent, the Company shall engage a person satisfying the relevant laws and regulations to serve as the Chief Compliance Officer within six months.

Article 229 The duties of the Chief Compliance Officer shall be as follows:

- (1) to issue written compliance examination opinions with respect to internal management systems, major decisions, new products and new business plans of the Company. The Chief Compliance Officer shall examine application materials or reports to be submitted to regulatory authorities by the Company as required by such authorities and give opinions on the application materials or reports with his/her signatory;
- (2) to organize the formulation of the fundamental system for compliance management and other compliance management systems, and to supervise the implementation of such systems by all subordinate entities;
- (3) to supervise the compliance of operation management and practices of the Company and its employees, and conduct regular and irregular examinations in accordance with requirements of securities regulatory authorities and regulations of the Company;
- (4) to report the compliance of the Company's operation and management and the implementation of compliance management work to the Board of Directors and the person-in-charge of operation and management, to report to the Board of Directors, the Supervisory Committee and the person-in-charge of operation and management in a timely manner when identifies any non-compliance and hidden risks of non-compliance, to offer advice on remedy and supervise the rectification, and to procure the Company to report to the local branch office of the CSRC in time. In the event that the Company fails to report in time, it shall directly report to the local branch office of the CSRC. In the case of violation of industrial standards and self-regulatory rules, it shall also report to the relevant self-regulatory organizations;
- (5) to maintain communication with securities regulatory authorities and industrial self-regulatory organizations, take initiative to cooperate with securities regulatory authorities and self-regulatory organizations;
- (6) to handle investigation required by securities regulatory authorities and self-regulatory organizations in the timely manner, cooperate with securities regulatory authorities and self-regulatory organizations in their examination and investigation on the Company, and track and evaluate the implementation of regulatory opinions and requirements;

- (7) to organize compliance trainings for senior management and employees of the Company;
- (8) to provide compliance consultation to senior management, all departments and all branches of the Company;
- (9) to consult with securities regulatory authorities or self-regulatory organizations when there are ambiguities in laws, regulations and standards which affect his/her judgment on the compliance of the operation and management and practice of the Company and its employees. Where there are changes in any laws, regulation or rules, it shall promptly make recommendations to the Board of Directors or senior management and monitor the relevant departments to evaluate the impact on compliance management as well as make corresponding amendments and improvements to relevant systems and workflows;
- (10) to assist the Board of Directors and senior management in establishing and implementing the information firewall for anti-money laundering and inside information, and the management system for conflict of interest;
- (11) to guide and supervise the relevant departments in handling complaints and reports regarding non-compliance;
- (12) to maintain record for inspection of the documents and information in relation to the duties performed, such as the issue of compliance review advice and compliance consultancy advice, the execution of documents, and the original copy of compliance review, and to record the details of performance of duties;
- (13) to perform other duties which are not contrary to the compliance management duties, as granted by the Board of Directors.

In the event that the Company does not adopt the compliance review advice of the Chief Compliance Officer, the relevant matter shall be submitted to the Board of Directors for determination.

Article 230 Guarantees for the Chief Compliance Officer to perform its duties:

- (1) The Board of Directors of the Company shall formulate a set of comprehensive and practicable compliance management system and supervise its implementation, so as to provide institutional protections for the Chief Compliance Officer to exercise its authorities.
- (2) The Company shall ensure that the Chief Compliance Officer enjoys sufficient right of information. The Chief Compliance Officer shall be entitled to participate or attend the important meetings (such as meetings of Board of Directors and operating decision meetings) and other meetings as required by the Chief Compliance Officer. The Chief Compliance Officer shall be informed in advanced of the meeting by the Company, and have access to all relevant documents and materials in relation to fulfillment of his/her duties in order to acquire necessary and sufficient information.
- (3) The Company shall provide material and financial resources and technical supports to the Chief compliance officer as well as compliance officers required for him/her to perform his/her duties.

- (4) The Company shall ensure that the Chief Compliance Officer enjoys an independent right of inspection. The Chief Compliance Officer shall have the right to make investigation into any potential non-compliance independently, have access to relevant documents and records, and obtain information and assistance from the management, staff and the intermediaries which provide audit and legal services to the Company. The Chief Compliance Officer may directly engage external professional firms or persons in the name of the Company to assist him in carrying out his duties as necessary. The expenses shall be borne by the Company.

Chapter 10 Qualifications and Duties of the Directors, Supervisors, President and other Senior Management

Article 231 Persons falling in any of the following categories shall not serve as Directors, Supervisors, President or other senior management of the Company:

- (1) persons without civil capacity or with limited civil capacity;
- (2) persons who have committed offences relating to corruption, bribery, embezzlement, misappropriation of property or disruption of social economic order and have been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence, or who have been deprived of their political rights due to the commission of a criminal offense, where less than five years have elapsed since the date of restoring their political rights;
- (3) persons who were former Directors, factory managers or managers of a company or enterprise which was declared bankrupt and was liquidated due to poor operation and management and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;
- (4) persons who were legal representatives of a company or enterprise which had its business license revoked due to violation of the laws and who were personally liable, where less than three years have elapsed since the date of the revocation;
- (5) persons who have a substantial amount of debts due and outstanding;
- (6) persons who were investigated by judicial offices and the lawsuit is not settled yet;
- (7) persons who cannot serve as corporate leaders according to laws and administrative regulations;
- (8) non-natural persons;
- (9) persons who have been convicted by the competent authority for violation of securities regulations and acting fraudulently or dishonestly, where less than five years have elapsed since the date of conviction;
- (10) persons in charge of stock exchange, the securities registration and clearing institutions or directors, supervisors, senior management members of securities companies, who were dismissed due to violation of laws or disciplinary offence, where less than five years have elapsed since the date of the dismissal;

- (11) persons who are lawyers, certified public accountants or professionals of other securities service institutions, whose practicing certificates or qualification were revoked due to violation of laws or disciplinary offence, where less than five years have elapsed since the date of the revocation of practicing certificates or qualification;
- (12) persons who do not meet the requirements of relevant laws, regulations, rules and qualifications stipulated by regulatory departments located in a place where the Company's shares are listed as well as other circumstances required by the Articles of Association of the Company.

Article 232 The validity of the conduct of Directors, President or other senior management on behalf of the Company with respect to third parties who act in good faith shall not be affected by any irregularity in their appointment, election or qualification.

Article 233 Apart from the obligations as required by laws, administrative regulations or the listing rules of the stock exchange where shares of the Company are listed, the Directors, Supervisors, President and other senior management of the Company shall assume the following obligations to each of the shareholders when exercising their authorities endowed by the Company:

- (1) they may not cause the Company to operate beyond the scope of business indicated on the business license;
- (2) they shall act honestly in the best interests of the Company;
- (3) they may not deprive the Company's properties in any manner, including but not limited to, opportunities beneficial to the Company;
- (4) they may not deprive the Shareholders of personal rights and interests, including but not limited to, the distribution right and voting right, except for restructuring of the Company submitted to the general shareholders' meeting for approval pursuant to the provisions of the Articles of Association.
- (5) perform their duties in good faith and with diligence in accordance with relevant laws, regulations and the Articles of Association.

Article 234 When exercising their powers and discharging their duties, Directors, Supervisors, President and other senior management of the Company shall act as cautiously, diligently and skillfully as a reasonably prudential person does under similar circumstances.

Article 235 The Directors, Supervisors, President and other senior management of the Company shall perform their duties in accordance with the principle of honesty and shall not put themselves in a position where their duties and their interests may conflict. These principles include but not limited to the following:

- (1) to act honestly in the best interests of the Company;
- (2) to exercise powers within the scope of their powers;

- (3) to exercise their discretion vested in them and not to allow themselves to act under the control of another and, unless and to the extent permitted by the laws, administrative regulations or with the consent of shareholders' general meeting, not to delegate others to exercise their discretion;
- (4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;
- (5) not to enter into any contract, transaction or arrangement with the Company unless otherwise provided by the Articles of Association or with the consent of shareholders' general meeting;
- (6) not to use the Company's property for their own benefit without the consent of shareholders' general meeting;
- (7) not to exploit their positions to accept bribes or other illegal income or expropriate the property of the Company by any means, including but not limited to opportunities advantageous to the Company;
- (8) not to accept commissions in connection with the transactions of the Company without the consent of shareholders' general meeting;
- (9) to abide by the Articles of Association, perform their official duties faithfully and protect the interests of the Company, and not to exploit their positions and powers in the Company for their own interests;
- (10) not to compete with the Company in any way unless with the consent of shareholders' general meeting;
- (11) not to misappropriate the Company's funds or lend such funds to others, not to open accounts in their own names or other names for the deposit of the assets of the Company and not to provide guarantee for debts of a shareholder of the Company or other individual(s) with the assets of the Company;
- (12) unless otherwise permitted by shareholders' general meeting, to keep confidential the information acquired by them in the course of and during their tenure and not to use the information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other government authorities is permitted if the disclosure is:
 - (i) by order of the laws;
 - (ii) in the interests of the public;
 - (iii) in the interest of the relevant Directors, Supervisors, President or other senior management.

Article 236 Each Director, Supervisor, President and any other senior management of the Company shall not cause the following persons or institutions (hereinafter referred to as the “associates”) to do what he/she is prohibited from doing:

- (1) the spouse or minor child of that Director, Supervisor, President and other senior management;
- (2) a person acting in the capacity of trustee of that Director, Supervisor, President or other senior management or any person referred to in clause (1) of this Article;
- (3) a person acting in the capacity of partner of that Director, Supervisor, President or other senior management or any person referred to in clauses (1) and (2) of this Article;
- (4) a company in which that Director, Supervisor, President or other senior management, alone or jointly with one or more persons referred to in clause (1),(2), (3) of this Article or other Directors, Supervisors, President and other senior management have a de facto controlling interest;
- (5) the Directors, Supervisors, President and other senior management of the controlled company referred to in clauses (4) of this Article.

Article 237 The fiduciary duties of the Directors, Supervisors, President and other senior management of the Company do not cease with the termination of their tenure. The duty of confidentiality in relation to trade secrets of the Company survives the termination of their tenure. Other duties may continue for such period as fairly required depending on the time lapse between the termination and the act concerned and the circumstances under which the relationships between them and the Company are terminated.

Article 238 Unless otherwise provided by the Articles of Association of the Company, duties imposed on Directors, Supervisors, President and other senior management due to violation of a specific obligation by such persons may be discharged as consented by a shareholders’ general meeting.

Article 239 Where a Director, Supervisor, President and any other senior management of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company (other than his/her contract of service with the Company), he/she shall disclose the nature and extent of his/her interests to the Board of Directors as soon as possible, whether or not the related matters under normal circumstances is subject to the approval of the Board of Directors.

Except as provided in Note 1 of Appendix 3 to the Hong Kong Listing Rules or exceptions permitted by the Hong Kong Stock Exchange, a Director shall not be entitled to vote on nor shall be counted in the quorum in relation to any resolution of the Board of Directors in respect of any contract or arrangement or any other relevant proposals in which he/she or any of his/her close associates has any material interest.

Unless the interested Director, Supervisor, President and other senior management of the Company discloses his/her interests in accordance with the preceding paragraph of this Article and the contract, transaction or arrangement is approved by the Board of Directors at a meeting in which the interested Director, Supervisor, President or other senior management is not counted in the quorum and has abstained from voting, a contract, transaction or arrangement in which that Director, Supervisor, President and other senior management is materially interested is avoidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested Director, Supervisor, President or other senior management.

A Director, Supervisor, President and other senior management of the Company is deemed to be interested in a contract, transaction or arrangement in which an associate of him/her is interested.

Article 240 Where a Director, Supervisor, President and other senior management of the Company gives to the Board of Directors a written notice stating that, by reason of the facts specified in the notice, he/she is interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, that notice shall be deemed for the purposes of the preceding Article to be a sufficient disclosure of his/her interests, so far as the content stated in such notice is concerned, provided that such notice shall have been given before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company.

Article 241 The Company shall not in any manner pay taxes on behalf of a Director, Supervisor, President and other senior management of the Company.

Article 242 The Company shall not, directly or indirectly, make a loan or provide any guarantee for a loan to a Director, Supervisor, President and other senior management of the Company or the Company's parent company or any of their respective associates.

The prohibition mentioned in the preceding provisions shall not apply to the following circumstances:

- (1) a loan or a guarantee for a loan by the Company to its subsidiaries;
- (2) a loan or a guarantee for a loan or other funds to any of its Directors, Supervisors, President and other senior management by the Company to meet expenditure incurred or to be incurred by him/her in the interests of the Company or for the purpose of enabling him/her to perform duties for the Company in accordance with the terms of an employment contract approved by the shareholders' general meeting;
- (3) the Company can make a loan or provide any guarantee for a loan to a Director, Supervisor, President and other senior management of the Company and its associates in the ordinary course of business, providing that the conditions for the loan and the guarantee shall be on normal commercial terms.

Article 243 A loan made by the Company, regardless of its conditions, in breach of the aforesaid regulations shall be repaid immediately by the recipient of the loan.

Article 244 Loan guarantee provided by the Company in breach of Clause (1) of Article 242 under these Articles of Association shall not be enforceable against the Company, unless:

- (1) loan guarantee was provided to an associate of any of the Directors, Supervisors, managers and other senior management of the Company or of the Company's holding company and at the time the loan was advanced the lender did not know the relevant circumstances; or
- (2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

Article 245 For the purpose of the foregoing provisions of this Chapter, a "guarantee" includes an undertaking or property provided by a guarantor to secure the performance of obligations by the obligor.

Article 246 In addition to the rights and remedies provided by the laws and administrative regulations, where a Director, Supervisor, President and other senior management of the Company is in breach of his/her duties to the Company, the Company has the right to:

- (1) claim damages from such Director, Supervisor, President and other senior management for losses incurred to the Company as a result of his/her dereliction of duty;
- (2) rescind any contract or transaction entered into by the Company with the Director, Supervisor, President and other senior management or with a third party (where such third party knows or should have known that there is a breach of duties of such Director, Supervisor, President and other senior management);
- (3) require the Director, Supervisor, President and other senior management to surrender the profits made due to a breach of duties;
- (4) recover any money received by the Director, Supervisor, President and other senior management which should have been received by the Company, including but not limited to commissions;
- (5) require the payment of interest earned or which may have been earned by the Director, Supervisor, President and other senior management on the money that should have been paid to the Company.

Article 247 The Company shall enter into a written contract with each Director, Supervisor and senior management and such contract shall at least include the following provisions:

- (1) Directors, Supervisors and senior management shall make commitments to the Company and express that they shall comply with the Company Law (《公司法》), Special Provisions (《特別規定》), the Articles of Association, the Code on Takeovers and Mergers (《公司收購及合併守則》), the Code on Share Buy-backs (《股份購回守則》) and other provisions of Hong Kong Stock Exchange and agree that the Company shall be entitled to the remedial measures provided herein. Such contract and such position may not be transferred;
- (2) Directors, Supervisors and senior management shall make commitment to the Company and express that they shall comply with and perform such duties that they should be accountable to the shareholders as provided herein;
- (3) such arbitration terms as provided in Article 316 hereof.

The Company shall enter into written contracts on issues regarding the remuneration with the Directors and Supervisors, and submit such contracts to the shareholders' general meeting for approval. The aforesaid remunerations shall include:

- (1) the remunerations in respect of his/her service as Director, Supervisor or senior management of the Company;
- (2) the remunerations in respect of his/her service as Director, Supervisor or senior management of any subsidiary of the Company;
- (3) the remunerations in respect of the provision of other services in connection with the management of the affairs of the Company and any of its subsidiaries;
- (4) the payment by way of compensation for loss of office, or as consideration for or in connection with retirement from office as a Director or Supervisor.

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

Article 248 The Company shall stipulate the following upon entering into a remuneration-related contract with a Director or Supervisor: when the company is acquired, the Directors or Supervisors of the Company shall have the right to obtain compensation or other funds for the loss of their positions as Directors or Supervisors or for retirement, subject to prior approval of the shareholders' general meeting.

A takeover of the Company referred to in the preceding provisions means any of the following:

- (1) an offer made by any person to all the shareholders;
- (2) an offer made by any person with the purpose of the offeror becoming a controlling shareholder.

In the event that relevant Director or Supervisor does not comply with this Article, any sum so received by him/her shall belong to those persons who have sold their shares as a result of the acceptance of said offer. The expense incurred in distributing that sum pro rata amongst those persons shall not be paid out of that sum.

Chapter 11 Financial and Accounting System, Profit Distribution and Audit

Section 1 Financial and Accounting System

Article 249 The Company shall establish its financial and accounting systems in accordance with the laws, administrative regulations and the requirements of the relevant governmental authorities.

Article 250 The Company shall prepare an annual report within four months upon expiration of each fiscal year and submit and disclose the same to the CSRC and the stock exchange, and shall submit and disclose its interim report to the local branch office of the CSRC and the stock exchanges within two months after the end of the first half of each financial year.

The abovementioned annual and interim reports shall be prepared in accordance with relevant laws, administrative regulations and the requirements of the CSRC and the stock exchanges, and shall be disclosed in accordance with the requirements of the securities regulatory authorities of the locality where shares of the Company are listed.

Article 251 The Board of Directors of the Company shall submit financial reports prepared by the Company as are required by relevant laws, administrative regulations or normative documents promulgated by local government and competent department, to the shareholders at every annual general meeting.

Article 252 The financial reports of the Company shall be made available for the inspection of shareholders at the Company 20 days before the date of every annual general meeting. Each shareholder of the Company shall be entitled to obtain a copy of the financial reports referred to in this chapter.

Unless otherwise specified in these Articles of Association, the Company shall deliver by personal delivery or by prepaid mail to each shareholder of overseas listed foreign shares a copy of the aforesaid report or the report of Board of Directors together with the balance sheet (including each document shall be included as appendix to the balance sheet as required by the laws) and profit and loss account or statement of income and expenditure, or summary financial report not later than 21 days before the date of every annual general meeting, and the addresses of recipient shall be the addresses appear on the register of shareholders.

Article 253 The annual financial reports of the Company include:

- (1) the balance sheet;
- (2) the income statement;
- (3) the profit distribution statement;
- (4) the cash flow statement;
- (5) notes to the financial statement.

Article 254 In addition to the PRC accounting standards and regulations, the financial statements of the Company shall also be prepared in accordance with the international accounting standards or the accounting standards of the place outside the PRC where the shares of the Company are listed. Any material discrepancy between the financial statements prepared in accordance with two different accounting standards shall be explained in the notes to the financial statements. Distribution of profits after tax of the relevant financial year shall be based on the lower of the profits after tax shown in the two financial statements mentioned above.

Interim results or financial information published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations as well as international accounting standards or the accounting standards of the place outside the PRC where shares of the Company are listed.

Article 255 The Company shall not keep accounts other than those required by laws. The assets of the Company shall not be kept under the name of any individual.

Article 256 Capital reserve fund includes the following items:

- (1) premium proceeds from the shares issued over their par value;
- (2) any other income required to be included in the capital reserve fund by the competent finance department of the State Council.

Article 257 The profits after income tax paid by the Company shall be distributed in the following order:

- (1) to make up the losses of the previous year;
- (2) to extract 10% as general risk reserve fund;
- (3) to extract 10% as statutory reserve fund;
- (4) to extract 10% as transaction risk reserve fund;
- (5) to extract discretionary reserve fund;
- (6) to distribute dividends to shareholders.

When the aggregate statutory reserve fund of the Company has reached 50% or more of the registered capital, the Company may cease to make further contribution.

The appropriation of discretionary reserve fund subsequent to the appropriation of the statutory reserve fund should be determined by the shareholder's general meeting. The Company shall not distribute any profits to its shareholders before making up the losses and making appropriation of general risk reserve fund, statutory reserve fund and transaction risk reserve fund.

If there are requirements on reserve extraction proportions and accumulated extraction balance applicable to statutory reserve fund, general risk reserve fund and transaction risk reserve fund of securities companies as stipulated by the state, the Articles of Association shall be implemented according to the requirements of the state.

If a shareholders' general meeting violates the provisions in the preceding paragraph and profits are distributed to the shareholders before the Company making up losses and making allocations to the statutory reserve fund, the profits distributed in violation of the provisions shall be returned to the Company.

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

Article 258 The principle of allocating profits of the Company: adhering to the principle of “the same shares entitled to the same rights and dividend”, the Company allocates profits as per the proportions of shareholding in the Company by its shareholders. The Company implements a sustainable and stable profit distribution policy, and places a great emphasis on the reasonable investment returns of its investors as well as the long-term development of the Company.

The policy of profit distribution of the Company is as follows:

- (1) Forms of profit distribution: the Company may distribute its profits in cash, shares or a combination of both or in any other forms as permitted by the laws. The Company shall determine a cash dividend policy that enables the shareholders to share the growth and development results of the Company and receive reasonable investment returns, by considering factors such as its development stage, capital requirements.
- (2) Specific conditions and proportions of dividends in cash: the Company adopts cash dividend as its priority dividend distribution policy, i.e. the Company shall distribute its dividends in cash when the Company gains profit in that year and the accumulated undistributed profits are positive and if there are distributable after-tax profits available after making up losses, and making appropriation of various accumulation funds and reserve funds in accordance with the laws. The profit distributed by the Company shall not exceed its accumulated distributable profit. Profit distributed in cash in a single year shall be no less than 30% of the distributable profit of that year.
- (3) Intervals of profit distributions: the Company generally distributes its profit on a yearly basis. Subject to the compliance of the profit distribution principle and cash dividends conditions, the Company may also distribute interim cash dividends.
- (4) Specific conditions of distributing dividends: if the Company grows rapidly and the Board of Directors considers that there is a mismatch between Company's share price and the size of its share capital, the Company may, after making the above cash dividends distribution and taking into consideration the growth of the Company and the diluted net assets per share, propose and implement a proposal on distribution of dividends in cash.

- (5) The Board of Directors shall take into account, among other things, features of the industries where the Company operates, its development stage, business model, and profit level, debt repayment capacity, and whether it has any significant capital expenditure plans and investor returns, and formulate differentiated cash dividend proposals in accordance with the provisions set out below and procedures provided in the Articles of Association:
- (i) If the Company is at the mature stage of development and has no significant capital expenditure plan, the proportion of cash dividends shall be at least 80% in the profit distribution;
 - (ii) If the Company is at the mature stage of development and has a significant capital expenditure plan, the proportion of cash dividends shall be at least 40% in the profit distribution;
 - (iii) If the Company is at the growing stage and has a significant capital expenditure plan, the proportion of cash dividends shall be at least 20% in the profit distribution;

If it is difficult to determine the Company's stage of development while it has a significant capital expenditure plan, the profit distribution may be dealt with pursuant to the rules applied in circumstance (3) above.

The proportion of cash dividends in the profit distribution shall be the cash dividends divided by the sum of cash dividends and scrip dividends.

Article 259 Decision-making procedures and mechanism of the profit distribution plan are as follows:

- (1) The decision-making procedures of the profit distribution plan of the Company shall be as follows: the Board of Directors shall formulate a clear and definite shareholders' return plan every three years after carrying out a thorough discussion of the conditions and percentage of profit distribution, the development stage of the Company, and its significant capital expenditure plans; and the Company shall formulate profit distribution plan for the current period after conducting careful research into and deliberation on the timing, conditions and minimum percentage of cash dividends as well as conditions of adjustment. The profit distribution proposal proposed by the Board of Directors shall be passed by a majority of the Directors of the Company before it is submitted to the shareholders' general meeting for consideration and approval.

The independent Directors are entitled to express independent opinions if they consider that the cash dividend distribution plan may impair the interests of the listed company or minority shareholders. If the opinions of the independent Directors are not adopted or not fully adopted by the Board of Directors, the opinions of independent Directors and the specific reasons for non adoption shall be recorded and disclosed in the resolutions of the Board of Directors. When the profit distribution plan is considered at the shareholders' general meeting, the Company shall communicate and contact with its shareholders, especially minority shareholders, and discuss in detail and exchange ideas with shareholders on the profit distribution plan. If profit distribution plan for the current year cannot be decided in compliance with the existing cash dividends policy or as per the minimum proportion of cash dividend, the profit distribution plan shall be passed by more than a half of the voting rights held by shareholders (including their proxies) present at the shareholders' general meeting.

The Supervisory Committee shall monitor the execution of cash dividend policy and the Shareholders' Return Plan carried out by the Board of Directors, as well as the execution of appropriate decision-making procedures and the information disclosure. The Supervisory Committee shall express explicit opinions and urge the Board of Directors to make correction in a timely manner in case of the Board's failure of the Board of Directors to strictly implement the cash dividend policy and Shareholders' Return Plan, failure to strictly execute appropriate decision-making procedures for cash dividends, and failure to make an authentic, accurate and complete disclosure of the cash dividend policy and its implementation.

- (2) The decision-making procedures for the adjustment of the profit distribution policy of the Company are as follows: where the Company needs to adjust its profit distribution policy in light of industrial regulatory policies, business operation, investment plans and long-term development of the Company, or due to significant changes in the external operating environment or business operation of the Company, the adjusted profit distribution policy shall not violate relevant laws and regulations and relevant requirements of the CSRC and the stock exchange. The proposal on the adjustment of the profit distribution policy shall be formulated by the Board of Directors based on the operating condition of the Company and relevant regulations and policies, and it shall be passed by more than half of all Directors and submitted to the shareholders' general meeting for consideration.

The Supervisory Committee shall monitor the adjustment of profit distribution policy by the Board of Directors. The Supervisory Committee shall be entitled to request the Board of Directors to correct the adjusted profit distribution policy when such adjustment made by the Board of Directors damages the interests of minority shareholders, or is inconformity with relevant laws and regulations, and relevant requirements as stipulated by the CSRC and the stock exchanges.

The shareholders' general meeting shall communicate and contact with the shareholders, especially the minority shareholders, and make full discussion and communication with them before considering the proposal on the adjustment of profit distribution policy. The proposal on the adjustment of the profit distribution policy shall be approved by more than 2/3 of the voting rights represented by the shareholders (including proxies) present at the shareholders' general meeting, and the Company shall provide an online voting system to facilitate the shareholders to vote on the relevant proposal.

Article 260 In the event of misappropriation of funds of the Company by any shareholders, the Company shall deduct the cash dividends attributable to such shareholders to such extent as to repay the above funds.

Article 261 The common reserve funds of the Company shall be applied for making up for losses, expanding the Company's production and operation or capitalization. However, the capital reserve fund shall not be applied for making up losses of the Company.

When the common reserve funds are converted into share capital, the Company shall distribute new shares to the shareholders according to their original shareholdings. The statutory reserve fund after capitalization shall not be less than 25% of the registered capital of the Company before the capitalization.

Article 262 After the profit distribution plan has been adopted at shareholders' general meeting, or after the Board of Directors of the Company formulates a specific plan in accordance with the conditions and caps for the interim dividend for the next year as considered and approved at the annual general meeting, the dividend (or share) distribution shall be completed within two months.

Article 263 The Company may distribute dividends by means of cash or shares. Interests incurred from cash or other amounts involved in the payment of dividends shall not be borne by the Company. When distributing dividends, the Company shall withhold tax payables on the dividend income of the shareholders in accordance with the requirements of relevant laws and regulations.

Article 264 Any amount paid up in advance of calls on any shares may bear interest but shall not entitle the holder of the shares to participate in respect thereof in a dividend subsequently declared.

Subject to relevant laws, regulations, rules and regulative documents, the Company may confiscate any unclaimed dividends after the expiry of the applicable term of validity.

If dividend warrants have been left uncashed on two consecutive occasions, the Company shall be entitled to stop sending dividend warrants to holders of overseas listed foreign shares by post. However, such power may be exercised after the first occasion on which such a warrant is returned and undelivered.

The Company shall have the power to sell, in such manner as the Board of Directors thinks fit, any overseas-listed foreign shares of a holder who is untraceable subject to the following conditions:

- (1) the Company has distributed dividends at least three times in respect of such shares within 12 years, but none of such dividends was claimed;
- (2) the Company, after the expiration of a period of 12 years, made an announcement in one or more newspapers in the place in which the share of the Company is listed, stating its intention to sell such shares, and notify the securities regulatory authority of the place in which the share of the Company is listed of such intention.

Article 265 The Company shall appoint receiving agents on behalf of the holders of overseas-listed foreign shares to receive, on behalf of the relevant shareholders, the dividends declared and all other payables.

The receiving agents appointed by the Company shall be in compliance with the requirements of the local laws or stock exchange at the place where the stock of the Company is listed.

The receiving agents appointed for holders of overseas-listed foreign shares listed in the Hong Kong shall be a trust company registered under the Trustee Ordinance of Hong Kong.

Section 2 Internal Audits

Article 266 The Company shall adopt an internal audit system and designate auditors to supervise the internal audits of incomes and expenses as well as the business activities of the Company.

Article 267 The internal audit system of the Company and the duties of auditors shall come into effect upon the approval of the Board of Directors. The person in charge of audits shall be accountable to and report to the Board of Directors.

Section 3 Appointment of Accounting Firm

Article 268 The Company shall appoint an independent accounting firm that meets relevant national requirements to audit the financial statements, verify the net assets, audit other financial reports of the Company and provide other relevant consultancy services.

Article 269 The accounting firm appointed by the Company shall hold office for a period of one year commencing from the end of the annual general meeting of the Company and expiring upon the end of the next annual general meeting and which is subject to renewal.

Article 270 The accounting firm appointed by the Company shall have the following rights:

- (1) to review the accounts, financial statements, records and vouchers of the Company, and to require the Directors, President or other senior management of the Company to supply relevant information and explanations;
- (2) to require the Company to obtain from its subsidiaries such information and explanations as are necessary for the discharge of the duties of accounting firm;
- (3) to attend shareholders' general meeting and to receive all notices of, and other information relating to, any shareholders' general meeting, and to speak at any shareholders' general meeting in relation to matters concerning its role as the accounting firm of the Company.

Article 271 The appointment of an accounting firm by the Company shall be determined by the shareholders' general meeting. The Board may not appoint an accounting firm before the decision is made by the general meeting. If the position of the Company's accounting firm becomes vacant, any other accounting firm which has been engaged by the Company may continue to perform its duties during the period in which a vacancy exists.

Article 272 Notwithstanding the terms set out in the contract between the Company and the accounting firm, shareholders at a shareholders' general meeting may, by way of ordinary resolution, remove the accounting firm before the expiration of its term of office, but without prejudice to the right of the firm to claim for damages in respect of such removal.

Article 273 The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting certificates, accounting books, financial and accounting reports and other accounting materials and that it may not refuse, nor hide or misstate.

Article 274 The remuneration of the accounting firm or the way in which the firm is to be remunerated shall be determined by the shareholders' general meeting. The remuneration of the accounting firm appointed by the Board of Directors shall be determined by the Board of Directors.

Article 275 The engagement, renewal, dismissal or discontinuation of an accounting firm shall be decided by the shareholders' general meeting.

Prior notice shall be given to the accounting firm if the shareholders' general meeting decides to remove or not to renew the appointment. The accounting firm shall be entitled to make representations at the relevant shareholders' general meeting.

In the event that the shareholders' general meeting intends to pass and approve a resolution for engaging an accounting firm which is not being engaged to fill in any vacancy of an accounting firm, or for re-appointing an accounting firm appointed by the Board of Directors to fill in any vacancy of an accounting firm, or for dismissing an accounting firm prior to the expiry of the term of office, the following provisions shall be met:

- (1) prior to the delivery of the notice of the shareholders' general meeting, such proposal regarding the appointment or dismissal shall be delivered to such accounting firm which is to be appointed or to leave, or which has left the office during the relevant accounting year.

Leaving office shall include the dismissal or resignation of appointment and leaving of its position.

- (2) in the event that the accounting firm leaving the position has made a written statement and requests the Company to inform the shareholders of such statement, the Company should adopt the following measures unless it has received the written statement too late:
 - (i) in the notice issued for making a resolution, it is expressly stated about the accounting firm leaving the position having made a statement;
 - (ii) a photocopy of such statement shall be made as an attachment to the notice delivered to the shareholders in the manner as provided in these Articles of Association.
- (3) in the event that the Company fails to deliver the statement of the relevant accounting firm pursuant to the provisions of clause (2) above, the relevant accounting firm may request to read out such statement at the shareholders' general meeting and shall further make an appeal.
- (4) the accounting firm leaving its position shall be entitled to attend the following meetings:
 - (i) the shareholders' general meeting during its term of office which is to expire;
 - (ii) the shareholders' general meeting for filling a vacancy caused by the dismissal of such accounting firm;
 - (iii) the shareholders' general meeting convened due to the active resignation of such accounting firm;

Such accounting firm leaving the position shall have the right to receive all notices regarding the foregoing meetings and other information related to the meetings and shall have the right to speak at the foregoing meetings about the matters involving such firm being the previous accounting firm of the Company.

Article 276 Where the accounting firm proposes to resign its office, it shall make clear to the shareholders' general meeting whether there has been any impropriety on the part of the Company.

An accounting firm may resign its office by depositing a written resignation notice at the legal address of the Company. Resignation of the accounting firm shall become effective on the date of such deposit or on such later date stipulated in such notice. Such notice shall contain the following statements:

- (1) a statement to the effect that there are no circumstances in connection with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or
- (2) a statement of any other circumstances requiring an explanation.

Where the above notice is deposited, the Company shall within 14 days send a copy of the notice to the relevant governing authority. If the notice contains a statement under Clause (2) of this Article, a copy of such statement shall be placed at the Company for shareholders' inspection. Unless otherwise specified by the Articles of Association, the Company shall also send a copy of such statement by prepaid mail to every holder of overseas listed foreign shares at the address registered in the register of shareholders.

If the notice of resignation of an accounting firm contains a statement in respect of any circumstances requiring an explanation, it may require the Board of Directors to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances in connection with its resignation.

Chapter 12 Labor and Personnel

Article 277 The Company shall comply with the Labor Law of the People's Republic of China and other relevant regulations on labor and personnel, labor protection and labor insurances.

Article 278 The Company has entered into labor contracts with all its employees.

Article 279 The Company shall formulate its reward and punishment system according to laws. The Company shall reward the employees who have made great contributions to the Company and take disciplinary action against those in violation of the reward and punishment system until the termination of their labor contracts.

Article 280 Before making any decisions on matters concerning staff's significant interests, including staff salaries, welfares, safety operation, labor protection, labor insurances, early termination of labor contracts (or dismissal) and fire, the Company shall first listen to the opinions of the labor union of the Company and its staff and invite the labor union or employee representatives to present at relevant meetings.

Chapter 13 Notice

Article 281 A notice of the Company shall be sent by:

- (1) hand;
- (2) mail;
- (3) announcement;
- (4) fax or email;
- (5) making announcement in the Company's website or the websites designated by stock exchange in accordance with the laws, regulations and listing rules of the place where the Company's shares are listed;
- (6) other means recognized by the Company, or agreed by the recipient of the notice in advance or recognized by the recipient of the notice after receiving such notice;
- (7) other means recognized by regulatory authorities of the place where the Company's shares are listed or stated in these Articles of Association.

Article 282 Where a notice is served by way of announcement, after the publication of such announcement, all related persons shall be deemed to have received the notice unless it is otherwise required by the regulatory authorities of the place where the Company's shares are listed.

For notice issued by the Company to holders of overseas-listed foreign shares by way of announcement, the Company shall on the same day submit an electronic version to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange EPS for immediate release on the website of the Hong Kong Stock Exchange in accordance with the rules of the listing place. The announcement shall also be published on the Company's website at the same time. In addition, unless otherwise required in the Articles of Association, communications from the Company shall be delivered to the registered addresses as recorded in the register of members of overseas-listed foreign shares by hand or paid mail so as to give the shareholders sufficient notice and time to exercise their rights or act in accordance with the terms of the notice.

Holders of the Company's overseas-listed foreign shares may choose in writing to receive the corporate communication that the Company must send to shareholders either using electronic means or by post, and may also choose to receive the Chinese version only or the English version only or both the Chinese and English versions. They shall have the right to change their choices at any time by giving reasonable prior written notice to the Company in accordance with applicable procedures.

In order to prove the sending of notices, documents, information or written statements to the Company, shareholders or Directors shall provide evidence proving that the same had been sent in an ordinary manner or by prepaid posts to the correct address at the specified time.

Notwithstanding the aforesaid provision which specifies providing and/or dispatching written corporate communication to shareholders, for the purpose of the means by which the Company provides and/or dispatches its corporate communication to shareholders according to the Listing Rules of the Stock Exchange, if the Company has obtained shareholders' prior written consent or deemed consent according to relevant laws and regulations and the Listing Rules of the Stock Exchange as amended from time to time, the Company may dispatch or provide corporate communication to its shareholders by electronic means or via its website. Corporate communication includes but not limited to circulars, annual reports (including reports of the Board of Directors, annual accounts, auditing reports and summary financial reports (if applicable) of the Company), interim reports and summary interim reports (if applicable), quarterly reports, notices of shareholders' general meetings, proxy forms and other types of corporate communication as specified in the Listing Rules of the Stock Exchange.

Article 283 Any notice for convening a meeting of the Board of Directors or Supervisory Committee of the Company shall be delivered by hand, mail, or fax.

Article 284 For any notice delivered by hand, the addressee shall sign or seal with chop on the receipt slip and the date of delivery shall be the date of the confirmation of receipt by such addressee. For any notice delivered by mail, the date of delivery shall be the fifth working day upon the delivery to the post office. For any notice delivered by fax or email, the date of delivery shall be the date of sending or publishing. For any notice delivered by an announcement, the date of delivery shall be the date on which such announcement is initially published.

Article 285 If a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or if such person has not received the notice of meeting shall not render the meeting and any resolutions made therein invalid.

Article 286 As for announcements and information disclosure to holders of domestic shares, the Company shall publish such announcements and information on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the media meeting the requirements specified by the securities regulatory authorities of the State Council, and shall make available the same for public inspection at the Company's domicile and the stock exchange. If it is required to make public announcements to the holders of overseas listed foreign shares pursuant to the Articles of Association, such announcements shall also be published in such manner as required by the Hong Kong Listing Rules.

Chapter 14 Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation

Section 1 Merger, division, capital increase and capital reduction

Article 287 The Company may carry out merger or division in accordance with the law. Merger of the Company may take the form of absorption or establishment of a new company.

Article 288 The merger or division of the Company shall be proposed by the Board of Directors for approval by shareholders' general meeting in accordance with the procedures provided in the Articles of Association and shall be processed according to the laws. A dissenting shareholder may require the Company or the shareholders who are in favor of such proposal to acquire his/her shares at a fair price. The resolution of merger or division of the Company shall be contained in a special document for inspection by shareholders.

The foregoing documents shall also be sent by mail to shareholders of overseas listed foreign shares.

Article 289 If the Company is to undergo merger or division, it shall be conducted according to the following procedures:

- (1) the merger or division plan is prepared by the Board of Directors;
- (2) the shareholders' general meeting resolves in accordance with the Articles of Association;
- (3) the merger or division agreement is signed by the parties;
- (4) the examination and approval procedure is carried out in accordance the laws;
- (5) disposing of credits and debits related to the merger or division matters;
- (6) cancellation of registration and registration of change is carried out.

Article 290 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days from the date on which the merger resolution is approved at the Company's shareholders' general meeting and shall publish an announcement on regulatory newspapers within 30 days from the date on which the merger resolution is approved at the Company's shareholders' general meeting.

Article 291 In the event of a merger, a creditor has the right within 30 days of receiving such notice from the Company or, for creditors who do not receive the notice, within 45 days from the date of receiving the first notice, to demand the Company to settle its debts or provide a guarantee for such debt.

Article 292 For a merger or division of the Company, the Board of Directors shall adopt the necessary measures to protect the legitimate rights and interests of shareholders who oppose the Company's merger or division plans.

Article 293 After the merger, rights in relation to debtors and indebtedness of each of the merged parties shall be assumed by the company which survives the merger or the newly established company.

Article 294 When the Company is divided, its assets shall be split up accordingly.

The parties to such division shall execute a division agreement between each of the division parties and prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days from the date of the Company's resolution to divide and shall publish a notice through other ways such as a newspaper within 30 days from the date of the Company's resolution to divide.

Article 295 Debts of the Company prior to division shall be jointly assumed by the companies which exist after the division, except provided otherwise in the written agreement between the Company and the creditors relating to the settlement of debt before the division.

Article 296 When the Company is in the need of reducing its registered capital, it must prepare a balance sheet and an inventory of assets.

The Company shall notify the creditors within 10 days of the resolution for reducing its registered capital, and make an announcement in this regard within 30 days of the resolution for reducing its registered capital. A creditor has the right within 30 days of receiving such notice from the Company or, for creditors who do not receive the notice, within 45 days from the date of the announcement, to demand the Company to settle its debts or provide a guarantee for such debt.

Article 297 The reduced registered capital of the Company shall not be lower than the statutory minimum limit.

Article 298 Changes in particulars of the companies after merger or division must be registered with the registration authorities in accordance with the laws. Cancellation of a company shall be registered in accordance with the laws when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with the laws.

When increasing or reducing the registered capital, the Company shall register the changes with relevant registration authorities in accordance with the laws.

Section 2 Dissolution and liquidation

Article 299 The Company shall be dissolved and liquidated according to the laws upon the occurrence of the following events:

- (1) reasons for dissolution as specified in these Articles of Association;
- (2) a resolution on dissolution is passed by shareholders at a shareholders' general meeting;
- (3) dissolution is necessary due to merger or division;
- (4) the Company's business license is revoked or the Company is ordered to close down or de-registered due to its breach of laws and regulations;
- (5) where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any other channel, shareholders representing more than 10% of the voting rights of all shareholders of the Company may request the people's court to dissolve the Company;
- (6) the Company is legally declared bankruptcy due to its failure to repay debts due.

Upon the occurrence of the situation described in sub-paragraph (1) of aforesaid article, the Company may continue to exist by amending these Articles of Association. Amendments to these Articles of Association pursuant to the preceding paragraph shall be subject to the approval of shareholders representing two-thirds or above of the voting rights present at the shareholders' general meeting.

Article 300 Where the Company is dissolved under the situation described in sub-paragraph (1), (2), (4) and (5) above, the Company shall establish a liquidation committee within fifteen days upon the approval of the supervisory and administrative authorities for securities under the State Council. The liquidation committee shall consist of Directors or the persons determined by the shareholders' general meeting. If the Company fails to establish a liquidation committee on time, creditors may request the people's court to designate certain persons to form a liquidation committee to perform liquidation.

Where the Company is dissolved under the situation described in sub-paragraph (3) above, the Company shall apply to the CSRC with reasons for dissolution, liabilities settlement scheme and related documents. The Company shall be dissolved after obtaining the approval from the CSRC.

Where the Company is dissolved under the situation described in sub-paragraph (6) above, the people's court shall, according to the applicable laws, order the formation of a liquidation committee comprising members from the securities supervisory and administrative authority of the State Council, shareholders, relevant authorities and professionals to process the liquidation in accordance with the applicable bankruptcy law of enterprises.

Article 301 Where the Board of Directors resolves to liquidate the Company for any reason other than bankruptcy, the Board of Directors shall include a statement in its notice convening a shareholders' general meeting to the effect that, after making full inquiry into the affairs of the Company, the Board of Directors is of the opinion that the Company shall be able to pay its debts in full within twelve months from the commencement of the liquidation.

Article 302 The Board of Directors and President shall lose their powers immediately after the resolution for liquidation is passed at the shareholders' general meeting. During the liquidation, the Company shall be forbidden to carry out any new operating activities.

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

Article 303 The liquidation committee shall perform the following duties during the liquidation:

- (1) to notify creditors by notice or announcement;
- (2) to examine the Company's assets and prepare a balance sheet and an inventory of assets;
- (3) to deal with the outstanding affairs of the Company in relation to the liquidation;
- (4) to settle outstanding taxes as well as taxes arising in the course of liquidation;
- (5) to settle credits and debts;
- (6) to dispose of the remaining assets of the Company after the settlement of debts;
- (7) to represent the Company in any civil proceedings.

Article 304 The liquidation committee shall notify creditors within ten days from the date of its establishment and make public announcement on newspapers required by law within 60 days of its establishment.

Article 305 Creditors shall declare their claims to the liquidation committee within the period of time required in the Company Law. When declaring their claims, creditors shall describe the matters relating to such claims and provide related supporting materials. The liquidation committee shall register such claims. When creditors declare their claims, the liquidation committee shall not compensate the creditors.

Article 306 After checking the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan for approval of the shareholders' general meeting or relevant competent authorities.

Article 307 The assets of the Company shall be applied in the following order:

- (1) payment of the settlement expenses;
- (2) payment of salaries, social insurance expenses and statutory compensation of the Company's staff;
- (3) payment of outstanding taxes;
- (4) settlement of the Company's debts;
- (5) distribution to shareholders according to their proportion of shares.

Before the assets of the Company are applied for settlement in accordance with the requirements of (1) to (4) above, they cannot be distributed to shareholders.

The remaining assets of the Company after application for settlement in accordance with the above provisions shall be distributed to shareholders according to their proportion of shares held.

Article 308 If the liquidation committee, after ascertaining the Company's assets and preparing a balance sheet and an inventory of assets, determines that the Company's assets are insufficient to settle its debts, it shall apply to the people's court for a declaration of bankruptcy. After the Company is declared bankruptcy by a ruling of the people's court, the liquidation committee shall transfer the liquidation matters to the people's court.

Article 309 Upon completion of liquidation, the liquidation committee shall prepare a liquidation report and a statement of the receipts and payments and the financial accounts for the liquidation period which shall be submitted to the shareholders' general meeting or relevant competent authorities for approval.

The liquidation committee shall apply for cancellation of company registration to the company registration authority, and announce the termination of the Company in accordance with laws within 30 days after approval is obtained from the shareholders' general meeting or relevant competent authorities for the liquidation report.

Article 310 Members of the liquidation committee shall perform their duties with due diligence and carry out their liquidating obligations in accordance with laws and shall not abuse their powers to accept bribes or other illegal income or misappropriate the property of the Company.

A member of the liquidation committee who causes loss to the Company or its creditors due to his intentional misconduct or gross negligence shall be liable for damages.

Article 311 Where the Company is declared bankruptcy in accordance with laws, it shall implement bankruptcy liquidation in accordance with relevant laws relating to bankruptcy of enterprises.

Chapter 15 Amendments to the Articles of Association

Article 312 The Company may amend the Articles of Association in accordance with the provisions of laws, administrative regulations and the Articles of Association.

Article 313 The Company shall amend the Articles under any of the following situations:

- (1) there is a conflict between the Articles and laws and administrative regulations after the amendment to the Company Law or relevant laws and administrative regulations;
- (2) there are changes in the Company rendering the Articles incorrect;
- (3) the shareholders' general meeting resolves to amend the Articles.

Article 314 Where the amendments to the Articles passed by the shareholders' general meeting involve any registered particulars of the Company, application shall be made for change of registration in accordance with laws.

Article 315 The Board of Directors shall amend the Articles of Association in accordance with the resolution to amend the Articles passed at the shareholders' general meeting.

Chapter 16 Settlement of Disputes

Article 316 The Company follows the following rules for the settlement of disputes:

- (1) All disputes and claims between shareholders of overseas-listed foreign shares and the Company, between shareholders of overseas-listed foreign shares and the Company's Directors, Supervisors and senior management, or between shareholders of overseas-listed foreign shares and other shareholders arising from these Articles of Association or any rights or obligations conferred or imposed by the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company shall be referred by the relevant parties to arbitration.

The dispute or claim shall be referred to arbitration as a whole. All parties involved in the same dispute or claim shall abide by the arbitration if such parties are the Company or the shareholder, Director, Supervisor, President or other senior management of the Company.

Disputes in relation to the definition of shareholders and register of shareholders need not be resolved by arbitration.

- (2) A claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its Arbitration Rules or the Hong Kong International Arbitration Center in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.

If a claimant elects arbitration at Hong Kong International Arbitration Center, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Center.

- (3) If any disputes or claims of rights prescribed in subparagraph (1) above are referred to arbitration, the laws of the People's Republic of China shall apply, save as otherwise provided in laws, regulations, rules and normative documents.
- (4) The award of an arbitration body shall be final and conclusive and binding on all parties.

Chapter 17 Miscellaneous

Article 317 Definitions

- (1) The “controlling shareholders” shall refer to shareholders who meet one of the following conditions (unless there is evidence to the contrary that shareholders meet one of the following conditions but don't control the Company actually):
- (i) The person may elect more than half of the Directors when acting alone or in concert with others;
 - (ii) The person may exercise more than thirty percent of the total voting shares of the Company or control the exercise of more than thirty percent of the total voting shares of the Company when acting alone or in concert with others;
 - (iii) The person holds more than thirty percent of outstanding shares of the Company when acting alone or in concert with others;
 - (iv) The person may have de facto control over the Company in any other manner when acting alone or in concert with others.
- (2) The “de facto controller” refers to that although such controller is not a shareholder of the Company, he/she is a person who can actually dominate the Company through investment relations, agreements or other arrangement.
- (3) The “connected relations” refers to the relationship between the Company's controlling shareholders, de facto controller, Directors, Supervisors, senior management and those enterprises which are directly or indirectly controlled by the foregoing parties and such other relationship which may cause the interests of the Company to be transferred. However, the state-controlled enterprises do not have connected relations merely because they are all being controlled by the State.

Article 318 The Board of Directors may formulate by-laws in accordance with the provisions of these Articles of Association, provided that such by-laws shall not be in violation of these Articles of Association.

Article 319 These Articles of Association are written in Chinese. In case of any inconsistency between these Articles and the articles of association in any other language or of different version, the latest Chinese version of these Articles of Association registered and filed with the company registration authority shall prevail.

Article 320 The term “or above”, “within”, “following”, as stated in these Articles of Association shall all include the given figure; the term “not exceeding”, “except”, “less than”, “more than”, “over” shall all exclude the given figure.

Article 321 The Board of Directors shall be responsible for the interpretation of these Articles of Association.

Article 322 The attachments to the Articles of Association include the rules of procedure of the general meeting, the rules of procedure of the Board of Directors and the rules of procedure of the Supervisory Committee.

Article 323 The Articles of Association shall be effective on the date of approval by a special resolution at the shareholders’ general meeting of the Company. From the effective date of the Articles of Association, the existing Articles of Association of the Company and amendments thereto shall lapse automatically.

ANNEX I: RULES OF PROCEDURE FOR THE GENERAL MEETINGS

Chapter 1 General Provisions

Article 1 In order to facilitate the compliant operation of 東方證券股份有限公司 (hereinafter referred to as the “**Company**”), enhance the efficiency of shareholders’ general meeting, safeguard the legitimate rights and interests of shareholders, define the duties and power of shareholders’ general meeting, and ensure that the shareholders’ general meeting operates in a compliant, efficient and stable manner and exercises its power according to relevant laws, these rules 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 Rules for Shareholders’ General Meetings of Listed Companies, the Rules for Governance of Securities Companies, the Reply of the State Council on the Adjustment of the Notice Period of the General Meetings and Other Matters Applicable to Overseas Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”) and other relevant laws, regulations, rules and normative documents as well as the Articles of Association of 東方證券股份有限公司 (hereinafter referred to as the “**Articles of Association**”) and other provisions, and based on the actual situation of the Company.

Article 2 The Company shall convene a shareholders’ general meeting in accordance with the laws, regulations, rules, regulative documents, the Articles of Association and these Rules to ensure that shareholders can exercise their rights in accordance with the laws.

The Board of Directors of the Company shall earnestly perform its duties and organize the shareholders’ general meeting in a serious and timely manner. All Directors of the Company shall diligently perform their duties to ensure the normal convening of the shareholders’ general meeting and exercise of their functions and powers in accordance with the law.

The controlling shareholders and actual controllers of the Company shall not restrict or hinder medium and small investors from exercising their voting rights in accordance with the law, or harm the legitimate rights and interests of the Company and the medium and small investors.

Article 3 The shareholders’ general meeting shall exercise its functions and powers within the scope stipulated by the Company Law and the Articles of Association.

Article 4 Shareholders’ general meeting consists of annual general meeting and extraordinary general meeting. The annual general meeting shall be held once every year within six months following the end of the previous financial year. In case of adjournment under special circumstances, the Company shall promptly report to the local branch of the China Securities Regulatory Commission (hereinafter referred to as the “**CSRC**”) in the place at which the Company is located and the stock exchange(s) where shares of the Company are listed for trading (the “**Stock Exchange(s)**”) with the reasons for adjournment.

Article 5 An extraordinary general meeting shall be convened from time to time. The Company shall hold an extraordinary general meeting within two months subsequent to the occurrence of any of the following events:

- (1) when the number of incumbent Directors falls below the mandatory minimum requirement of the Company Law, or is less than two-thirds of the number specified by the Articles of Association;
- (2) when the uncovered loss is more than one-third of the Company's total paid-in share capital;
- (3) when any of the shareholders individually or jointly holding no less than 10% of total number of the Company's voting shares make any written request;
- (4) when the Board of Directors considers it necessary;
- (5) when the Supervisory Committee proposes to convene such meeting;
- (6) such other circumstances as specified by laws, administrative regulations, departmental rules, normative documents or the Articles of Association.

Number of shares in circumstance (3) above shall be calculated as of the date on which the written request is made.

Article 6 The venue to hold a shareholders' general meeting of the Company shall be the domicile of the Company or other location specified by the convener, which shall be specified by the Company in the notice of each general meeting.

A shareholders' general meeting shall be in the form of physical meeting to be held on-site. The Company shall facilitate the participation of shareholders at the shareholders' general meetings by using secure, economic and convenient Internet or other ways according to laws, administrative regulations, the provisions of the CSRC or the Articles of Association. A shareholder who participates in a general meeting in the aforesaid manners shall be deemed to have been present at the meeting.

Article 7 The Company shall engage lawyers to attend the shareholders' general meeting and advise on the following issues with announcements made thereon:

- (1) Whether the convening of the shareholders' general meeting and its procedures are in compliance with laws, administrative regulations, these Rules and the Articles of Association;
- (2) Whether the attendees are eligible and whether the eligibility of the convener is lawful and valid;
- (3) Whether the procedures of voting and the voting results of the meeting are lawful and valid;
- (4) Legal opinions on other related matters at the request of the Company.

Chapter 2 Convening of Shareholders' General Meeting

Article 8 Shareholders' general meetings shall be convened by the Board of Directors in accordance with the law, and presided over by the chairman of the Board of Directors, unless these Rules requires otherwise.

Article 9 Any independent Director may propose in writing to the Board of Directors to convene an extraordinary general meeting, and the Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following such resolution of the Board of Directors. If the Board of Directors rejects the proposal, the Board of Directors shall provide an explanation and make an announcement in accordance with the requirements of the listing rules of the place where the shares of the Company are listed.

Article 10 The Supervisory Committee shall have the right to propose in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following such resolution of the Board of Directors, provided that any change to the proposal made in notice shall be subject to approval of the Supervisory Committee.

If the Board of Directors rejects the proposal or withholds from responding for 10 days following receipt of the proposal, the Board of Directors shall be deemed incapable or failing to perform the duty of convening a shareholders' general meeting. In such case, the Supervisory Committee may convene and preside over the meeting.

Article 11 Any of the shareholders individually or jointly holding no less than 10% of the Company's shares shall have the right to propose in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following such resolution of the Board of Directors, provided that any change to the proposal made in the notice shall be subject to approval of the proposing shareholder(s).

If the Board of Directors rejects the proposal or withholds from responding for 10 days following the receipt of the proposal, such shareholder(s) individually or jointly holding no less than 10% of the shares of the Company shall have the right to propose to the Supervisory Committee in writing to convene an extraordinary general meeting.

If the Supervisory Committee consents to the proposal, a notice convening such meeting shall be issued within five days following receipt of the proposal, provided that any change to the proposal made in the notice shall be subject to approval of the proposing shareholder(s).

If the Supervisory Committee has not issued any notice on convening such meeting within the prescribed period, it shall be deemed that the Supervisory Committee will not convene and preside over the extraordinary general meeting. Such shareholder(s) individually or jointly holding 10% or above of the Company's shares for more than 90 consecutive days shall have the right to convene and preside over an extraordinary general meeting.

Article 12 If the Supervisory Committee or any such shareholder(s) decide(s) to convene an extraordinary general meeting, the Board of Directors shall be notified in writing, and the meeting shall be registered with the securities regulatory authorities and the Stock Exchange(s).

The shareholder(s) convening the shareholders' general meeting shall hold no less than 10% of the shares of the Company prior to the announcement of any resolution approved at the shareholders' general meeting.

The Supervisory Committee and convening shareholder(s) shall submit relevant evidence to the authorities delegated by the CSRC in the place where the Company is located and the Stock Exchange(s) when issuing the notice of shareholder's general meeting and announcement of any resolution approved at the shareholder's general meeting.

Article 13 The Board of Directors and its Secretary shall cooperate with the Supervisory Committee or such shareholder(s) convening the meeting. The Board of Directors shall provide the register of shareholders as of the record date. Where the Board of Directors fails to provide the register of shareholders, the convener may apply to the securities registration and clearing institution for obtaining the same on the strength of the relevant announcement convening the shareholders' general meeting. The register of shareholders obtained by the convener shall not be used for any purpose other than convening a shareholders' general meeting.

Article 14 The necessary expenses for a general meeting convened by the Supervisory Committee or the shareholders on their own due to the failure of the Board of Directors to do so on request as mentioned above shall be borne by the Company and deducted from any sums owed by the Company to such default Directors.

Chapter 3 Proposal and Notice of Shareholders' General Meeting

Article 15 The contents of the proposed motion shall fall within the functions of the shareholders' general meeting, shall feature definite topics and specific issues for resolution, and shall be in compliance with relevant provisions of the laws, administrative regulations and the Articles of Association.

Article 16 As a shareholders' general meeting is convened, the Board of Directors, Supervisory Committee and any of the shareholders individually or jointly holding no less than 3% of the shares of the Company may propose resolution(s) to the Company.

Any of the shareholders individually or jointly holding no less than 3% of the shares of the Company may submit an interim proposal in writing to the convener at least 10 days prior to the convening of the shareholders' general meeting. Prior to the convening of a shareholders' general meeting, if a qualified shareholder proposes an interim proposal, his/her shareholding percentage shall not be less than 3% during the period from the notice of proposal to the announcement on the resolution of the meeting. Where a shareholder proposes an interim proposal, he/she shall provide the convener with documents proving that he/she holds more than 3% of the shares of the listed company. Where a shareholder jointly proposes a proposal by way of entrustment, the entrusting shareholder shall issue a written authorization document to the entrusted shareholder. If the qualification of the shareholders of the proposal is true and the relevant proposal complies with the relevant requirements of the Company Law, the convener shall then send a supplemental notice to the shareholders to announce the interim proposal and the name and shareholding percentage of the shareholders who put forward the interim proposal, within 2 days upon receipt of such proposal.

Other than the above circumstances, the convener shall not make any change in the notice to the existing proposals or add any new proposal after the publication of the notice of the shareholders' general meeting. Where the convener is required to supplement or correct the contents of the proposal disclosure in accordance with the provisions, the convener shall not substantially amend the proposal, and shall publish relevant supplementary or correction announcements within the prescribed time limit.

If a notice of shareholders' general meeting does not specify the proposed resolutions or does not comply with the preceding article, the shareholders' general meeting cannot vote and reach a decision.

Article 17 Notice of the shareholders' general meeting shall be given by the convener 20 days before the date of the annual meeting and 15 days before an extraordinary general meeting to notify all of the shareholders of the matters to be considered and the date and place of the meeting by way of announcement. Where laws and regulations, securities regulatory authorities and stock exchanges in the place where the shares of the Company are listed have other provisions, such provisions shall prevail.

Article 18 The notice of a shareholders' general meeting shall comply with the following requirements:

- (1) made in writing;
- (2) specify the date, time and venue of the meeting;
- (3) specify the matters and proposals submitted to the meeting for consideration and examination (the notice of the shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all proposals, and all meeting materials necessary for the shareholders to make reasonable judgments on the relevant proposals; in the proposal to be voted on at the shareholders' general meeting, if an proposal taking effect is conditional upon other proposals become effective, the convener shall explicitly disclose the relevant preconditions in the notice of the shareholders' general meeting and shall give special reminders that the approval of such proposal is the precondition to the voting results of subsequent proposals taking effect;

- (4) provide such information and explanation as is necessary for the shareholders to make an informed decision on the matters to be discussed. Without limiting the generality of the foregoing, where a proposal is made to consolidate and repurchase the shares of the Company, to reorganize its share capital, or to restructure the Company in any other way, the specific terms and the contract, if any, of the proposed transaction must be provided and the reason and effect of such proposal must be properly explained;
- (5) contain a disclosure of the nature and extent of the material interests, if any, of any Director, Supervisor, President and other senior management in the matters to be discussed; and in the event that the matters to be discussed will have different effect on the Directors, Supervisors, President and other senior management in their capacity as shareholders from that on the shareholders of the same class, explain such difference;
- (6) contain the full text of any special resolution to be proposed at the meeting;
- (7) contain a conspicuous statement that all shareholders are entitled to attend the shareholders' general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and such proxy needs not be a shareholder of the Company;
- (8) specify the record date for determining the shareholders who are entitled to attend the shareholders' general meeting; the interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall not be more than 7 business days. The shareholding record date shall not be changed once confirmed;
- (9) specify the date and place for the delivery of proxy forms for voting;
- (10) state the names and telephone numbers of the standing contact persons for the meeting;
- (11) in the event that a shareholders' general meeting is held online or through other means, the designated time and procedure for voting through internet or other means shall be expressly stated in the notice of such meeting. The voting online or by any other means shall be started not earlier than 3:00 pm on the day before the on-site general meeting is held and not later than 9:30 am on the day when the on-site general meeting is held, and shall be concluded not earlier than 3:00 pm on the day when the on-site general meeting ends.

The convener shall disclose other necessitate information 5 days prior to the convening of the shareholders' general meeting to enable the shareholders to make reasonable decisions on the matters proposed to be discussed. Where relevant proposals require independent Directors, the Supervisory Committee and intermediary institutions to issue opinions, such opinions shall be disclosed as part of materials of the meeting.

Article 19 Unless otherwise provided in relevant laws, regulations and the listing rules of the place where the Company's shares are listed and the Articles of Association, notice of the general meeting shall be published on relevant websites or be served on all shareholders (whether or not entitled to vote thereat) by personal delivery or prepaid mail, and the address of the recipient shall be the address appearing on the register of shareholders. For shareholders of domestic shares, the notice of the shareholders' general meeting may also be given through an announcement.

The announcement referred to in the preceding paragraph shall be published on the website designated by the CSRC or one or more newspapers specified by the CSRC within the prescribed period for notice of meeting as set out in Article 17 of these rules. Once the announcement is published, all shareholders of domestic shares shall be deemed to have received the relevant notice of the general meeting.

Notice of general meeting to be given to holders of overseas listed foreign shares shall be delivered in any one of the following methods within the prescribed period for notice of meeting as set out in Article 17 of these rules:

- (1) deliver to every shareholder of overseas listed foreign shares by personal delivery or by postal mail in accordance with the addresses of every shareholder of overseas listed foreign shares. The notice for shareholders of overseas listed foreign shares should be sent at Hong Kong to the best effort of the Company;
- (2) publish on the website of the Company or on the website designated by the stock exchanges where shares of the Company are listed in accordance with applicable laws, administrative regulations and relevant listing rules;
- (3) deliver pursuant to other requirements by the stock exchanges where shares of the Company are listed or by listing rules.

If a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or if such person has not received the notice of meeting shall not render the meeting and any resolutions made therein invalid.

Article 20 Where the election of Directors and Supervisors are scheduled to be discussed at a shareholders' general meeting, the notice of the shareholders' general meeting shall sufficiently disclose the detailed information about the Director and Supervisor candidate(s), including at least the following contents:

- (1) personal information including education background, work experience and part-time job;
- (2) whether he/she has connected relations with the Company or its controlling shareholders and de facto controller;
- (3) his/her shareholding in the Company;
- (4) whether he/she has received any punishment from the CSRC and other relevant authorities and any penalty and warning from stock exchanges;
- (5) disclosable information in relation to the new appointment or re-designation of Directors or Supervisors as required by the listing rules of the places where shares of the Company are listed.

Except the election of Directors and Supervisors by means of cumulative voting, nomination of every Director and Supervisor candidate shall be conducted by separate resolution.

Article 21 After the notice of the shareholders' general meeting is issued, the shareholders' general meeting shall not be postponed or cancelled, and the proposals set out in such notice shall not be cancelled without valid reasons. Where a shareholders' general meeting has to be postponed or cancelled, the convener shall make an announcement and state the relevant reasons at least 2 business days before the original date of the shareholders' general meeting.

Chapter 4 Convening of Shareholders' General Meetings

Article 22 Any shareholder entitled to attend and vote at a shareholders' general meeting shall have the right to attend the shareholders' general meeting and vote at such meeting in accordance with relevant laws, regulations and the Articles of Association. The Company and the convener shall not refuse for any reason.

A shareholder may attend and vote at the shareholders' general meeting in person or appoint one or several persons to act as his proxy (ies) to attend and vote at the meeting on his behalf within the scope of authorization. The proxy (ies) so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:

- (1) the right which the shareholder has to speak at the meeting;
- (2) the right to demand a poll alone or jointly with others;
- (3) the right to exercise voting rights on a show of hands or on a poll, provided that where more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.

The shareholders shall entrust his proxy (ies) by an instrument in writing, and such instrument shall be signed by the principal or by his proxy duly entrusted in writing; in the event that the principal is a legal person, the corporate seal of the legal person shall also be chopped or signed by its duly appointed proxy (ies).

Article 23 Individual shareholders attending a shareholders' general meeting in person shall produce their identity cards or other valid proof or evidence of their identities or stock account cards; in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the power of attorneys from shareholders.

Where a shareholder is a legal person, its legal representative or a person authorized by such legal representative, the boards or other decision-making bodies shall attend a shareholders' general meeting. In case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and proof of ownership; in the case of attendance by proxies, such proxies shall produce their identity cards and the power of attorneys in writing as duly issued by such legal representatives, the boards or other decision-making bodies and the proof the ownership.

If a shareholder is recognized as a clearing house (hereinafter referred to as the “recognized clearing house”) or its nominee according to relevant rules in force from time to time of the place where the shares of the Company are listed, the shareholder is entitled to authorize one or more person(s), as it thinks fit, to act as its proxy at any general meeting or any class meeting of shareholders. However, if more than one person is authorized, the proxy form shall set out the number and class of shares represented by each of the persons so authorized. A person so authorized may exercise the right on behalf of the recognized clearing house (or its nominee) (without being required to present share certificate, certified power of attorney and/or further evidence of due authorization), as if he/she was an individual shareholder of the Company.

Article 24 The power of attorney issued by a shareholder to appoint a representative to attend a shareholders’ general meeting shall specify:

- (1) the name of the proxy;
- (2) whether or not the proxy has any voting right;
- (3) directives to vote for or against or abstain from each and every issue included in the agenda of the shareholders’ general meeting;
- (4) the date of issue and validity period of the power of attorney;
- (5) the signature (or seal) of the principal. In the event that the principal is a corporate shareholder, the corporate seal shall be affixed.

Any blank form of the power of attorney as issued by the Board of Directors to any shareholder to appoint a proxy of a shareholder, shall allow the shareholder to freely choose to direct the shareholder’s proxy to vote in favor of, against or abstain from each resolution and to give separate instructions regarding the matters to be voted for every topics. The power of attorney shall expressly state that if the shareholder does not make any direction whether the proxy of the shareholder may vote at his/her discretion or not.

Article 25 The power of attorney for voting shall be placed at the domicile of the Company or such other place as specified in the notice of meeting at least 24 hours prior to the meeting at which the proxy is entrusted to vote or 24 hours before the scheduled voting time. Where such a power of attorney for voting is signed by a person authorized by the principal, the power of attorney for authorized signature or other authorization documents shall be notarized. Such power of attorney or other authorization documents upon notarized shall, together with the power of attorney for voting, be placed at the domicile of the Company or such other location as specified in the notice of the meeting.

Where the principal is a legal person, its legal representative or a person authorized by its board or other decision-making body shall attend the shareholders’ general meeting of the Company.

Article 26 A vote given in accordance with the terms of the power of attorney shall be valid notwithstanding the previous death or loss of capacity of the principal or revocation of the power of attorney or of the authority under which the proxy was executed, or the transfer of the share(s) in respect of which the proxy is given, provided that no written notice of such death, loss of capacity, revocation or transfer has been received by the Company before the commencement of the meeting at which the proxy is issued.

Article 27 An attendees register shall be prepared by the Company, which shall state the name (or names of the corporations) and the address of each attendee, the number of voting shares held or represented by them, the names of the principals (or names of the corporations) and so on.

Article 28 The convener of a general meeting and the lawyers engaged by the Company shall verify the validity of the qualifications of shareholders based on such shareholders' register as provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

Article 29 When the Company convenes a shareholders' general meeting, all Directors, Supervisors and the Secretary to the Board of Directors shall attend the meeting, while the President and other senior management shall be present at the meetings.

Article 30 The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the shareholders' general meeting.

Article 31 The Board of Directors and other conveners shall take necessary measures to ensure the good order of the shareholders' general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles or infringing the lawful rights and interests of any shareholder, and shall report in a timely manner such act to the relevant authorities for investigation and punishment.

Article 32 Where the shareholders' general meeting is convened by the Board of Directors, the chairman of the Board of Directors shall act as the chairman of the meeting (or the "**chairman of the meeting**") and preside over the meeting. In the event that the chairman of the Board of Directors is unable to or fails to fulfill the duty thereof, the vice chairman shall act as the chairman of the meeting and preside over the meeting, where there are more than one vice chairmen, the chairman of the meeting shall be the vice chairman of the Board of Directors jointly elected by more than half of the Directors. In the event that even the vice chairman is unable to or fails to fulfill the duty thereof, the majority of the Directors shall jointly elect a Director to act as the chairman of the meeting and preside over the meeting.

A shareholders' general meeting convened by the Supervisory Committee itself shall be presided over by the chairman of the Supervisory Committee who acts as the chairman of the meeting. In the event that the chairman of the Supervisory Committee is unable to or fails to fulfill the duty thereof, the meeting shall be presided over by the vice chairman of the Supervisory Committee who acts as the chairman of the meeting. In the event that the vice chairman of the Supervisory Committee is unable to or fails to fulfill the duty thereof, more than half of the Supervisors may elect a Supervisor to act as the chairman of the meeting and preside over the meeting.

Where a shareholders' general meeting is convened by shareholders themselves, the chairman of the meeting shall be elected by the conveners and the shareholders' general meeting shall be presided over by the chairman of the meeting elected.

Where the chairman of the meeting violates the rules of procedure during the shareholders' general meeting and renders it impossible for the meeting to continue, the shareholders present at the meeting may by majority vote elect a person as the chairman of the meeting to proceed with the meeting.

Where no chairman of the meeting is specified, one shall be elected by shareholders attending the meeting; in the event that the shareholders fail to elect a chairman of the meeting for any reason, the chairman of the meeting shall be the shareholder (including the proxy) who holds the most voting shares among the shareholders attending the meeting.

Article 33 The Board of Directors and the Supervisory Committee shall report on their work during the preceding year at the annual general meeting. Every independent Director shall also prepare his work report.

Article 34 Directors, Supervisors and senior management shall provide explanations in relation to the inquiries and suggestions made by shareholders at shareholders' general meeting.

Article 35 The convener shall ensure that the shareholders' general meeting is held continuously until final resolutions are arrived at. In the event that the shareholders' general meeting is terminated or fails to reach any resolution owing to force majeure or for other special reasons, immediate action shall be taken to resume the shareholders' general meeting as soon as possible or the shareholders' general meeting shall be directly terminated, and relevant announcement shall be made according to the listing rules of the place where the Company's shares are listed. Meanwhile, the convener shall report to the authorities delegated by the CSRC in the place where the Company is located and the stock exchange.

Chapter 5 Voting and Resolutions at the Shareholders' General Meeting

Article 36 Shareholders (including their proxies) shall exercise their voting rights represented by the number of voting shares they represent. Each share shall have one vote.

When the shareholders' general meeting considers significant matters that could affect the interests of medium and small investors, the votes by medium and small investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.

Shares held by the Company do not carry any voting rights and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.

The Board, independent Directors, shareholders holding more than 1% of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the securities regulatory authorities of the State Council may, as the soliciting parties, personally or authorize a securities company or securities service agency to publicly request the Company's shareholders to authorize them to attend the shareholders' general meeting and exercise the shareholders' rights such as right of making motions and voting rights on behalf of such shareholders, and the soliciting parties shall disclose the solicitation documents and the Company shall cooperate in this regard. Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Consideration or de facto consideration for publicly soliciting shareholders' rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting shareholders' rights. The soliciting parties shall bear compensation liabilities according to relevant laws for damages caused by violation of laws, administrative regulations or relevant provisions of the securities regulatory authorities of the State Council in the process of publicly soliciting shareholders' rights.

Article 37 Where any shareholder is, under the Hong Kong Listing Rules, required to abstain from voting for any resolution or restricted to voting only for or only against it, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 38 Any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Article 39 Upon voting, the shareholders (including their proxies) entitled to two or more votes need not cast all their votes in the same way (vote in favor of, against or abstain from each resolution).

In the event that the number of dissenting votes equals that of supporting votes, the chairman of the meeting shall have one more casting vote whether on a show of hands or on a poll.

Article 40 When a connected transaction is considered at a shareholders' general meeting, the connected shareholders shall abstain from voting. The voting shares represented by connected shareholders shall not be counted in the total number of shares with voting rights. In the event that connected shareholders are unable to abstain from voting in special circumstances, the resolution may be voted on in accordance with normal procedures upon the approval of relevant authorities.

- (1) When the shareholders' general meeting considers matters relating to a connected transaction, the connected shareholders shall abstain from voting; where the meeting requires the connected shareholders to give explanations, the connected shareholders bear the duty and obligation to make truthful explanation at the meeting.
- (2) The chairman of the meeting shall announce at the beginning of the meeting where there are matters that connected shareholders shall abstain and withdraw from voting.

Connection relationship mentioned in the preceding paragraph refers to the relationship between the Controlling Shareholders, de facto controllers, Directors, Supervisors, or senior management of the Company and the enterprise directly or indirectly controlled thereby and any other relationship that may lead to the transfer of any interest of the Company. However, the enterprises controlled by the state do not incur a connection relationship simply because their shares are controlled by the state.

Article 41 The list of candidates for Directors and Supervisors shall be submitted to the shareholders' general meeting for voting by way of proposal. When a voting is made on election of Directors or Supervisors at a shareholder's general meeting, the cumulative voting system may be adopted in accordance with the requirements of laws, regulations, rules and regulatory documents and Articles of Association or the resolutions of the shareholders' general meeting. If more than two independent Directors are elected at the shareholder's general meeting of the Company, the cumulative voting system shall be adopted. In respect of the election of Directors or Supervisors, the cumulative voting system shall be adopted when sole shareholder and its concert party are interested in 30% or more in shares of the Company.

Article 42 The cumulative voting system means that when Directors or Supervisors are elected at a shareholders' general meeting, each share shall carry the same number of voting right as the number of Directors or Supervisors to be elected, and the voting rights owned by shareholders may be cumulatively used.

In the event of cumulative voting, the chairman of the shareholders' general meeting shall, prior to voting, announce the adoption of cumulative voting system for the election of Directors and Supervisors and the counting method of votes and rules of election to the shareholders and their proxies presented at the meeting.

Directors and the Supervisory Committee shall prepare the specific voting ballots for cumulative voting in advance according to the agenda of the shareholders' general meeting, which shall explicitly state the purpose of cumulative voting for the election of Directors and Supervisors in addition to the particulars same as other types of ballots, and shall contain the details such as name of the meeting, names of the Director or Supervisor candidate, name of shareholders, names of the proxies, number of shares held, number of votes in the cumulative voting and time of voting.

When electing Directors and conducting the cumulative voting system, the election of independent Directors shall be separated from the election of other Directors to ensure the proportion of independent Directors in the Board of Directors of the Company.

The minimum votes needed by any elected Director and Supervisor shall not be less than half of the average of total votes cast divided by the number of candidates to be elected as Directors or Supervisors.

If the number of Directors and Supervisors elected exceeds the number of Directors and Supervisors to be elected by the Company due to the same votes, a new round of voting for election shall be conducted for candidates with the same votes exceeding the number of Directors and Supervisors to be elected until the Directors and Supervisors to be elected by the Company are elected.

Article 43 Other than the cumulative voting system, the shareholders' general meeting shall vote on all proposals one by one. For different proposals on the same matter, voting shall be proceeded according to the time order of these proposals. For two proposals on the same matter, voting shall be proceeded according to the time order of these proposals and voting shall not be proceeded once one of two proposals has been passed. Other than special reasons such as force majeure which results in the interruption of the meeting or makes it impossible to come to resolution, the shareholders' general meeting shall not set aside the proposals or withhold from voting.

Article 44 No change of the proposal by the shareholders' general meeting shall be allowed in the course of deliberating proposal at the meeting; otherwise, any amendment made to such proposal shall be considered as a new proposal, which shall not be eligible for voting at the same meeting.

Article 45 Each voting right shall be exercised either at the meeting, online, or by any of other available means. The first vote shall prevail in cases when a given voting right is exercised repeatedly.

Article 46 Where a shareholders' general meeting adopts vote by ballot, two shareholder representatives shall be appointed for the purpose of counting and monitoring the votes before voting on proposals. In the event that the shareholders are related to the proposals to be deliberated, such relevant shareholders or their proxies shall not be appointed for counting and monitoring the votes.

The lawyers, shareholder representatives and Supervisor representatives shall be jointly responsible for counting and monitoring the votes when the shareholders' general meeting commences voting on proposals. The voting results are to be announced immediately. The voting results on resolutions shall be recorded in the minutes of the meeting.

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

Article 47 The on-site general meeting shall not close earlier than that held online or by other means. The chairman of the meeting shall announce to the meeting the voting results on each proposal and decide whether a proposal has been passed or not based on its respective results.

Company, counting and monitoring parties, substantial shareholders, the online voting system provider and others involved in on-site, online or other kinds of voting at the shareholders' general meeting shall not disclose the voting results to any other party before such results are officially announced.

Article 48 Where a shareholders' general meeting adopts vote by ballot, shareholders attending the meeting shall vote in one of the following categories on the proposal to be voted on: vote in favor of the proposal, vote against the proposal, or abstain from voting on the proposal.

Any unfilled, improperly filled or poorly handwritten votes or votes that are not cast shall be considered as abstentions from voting by the shareholders. Its respective shares shall be counted as "abstentions" in the voting results.

Article 49 The shareholders' general meeting shall prepare an integrated written resolution or specific written resolutions based on the voting results and minutes of the meeting after it has considered all the resolutions being proposed at such meeting. The chairman of the meeting shall be responsible for deciding whether or not a resolution is duly passed. The chairman's decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minutes of the meeting.

Article 50 The chairman of the meeting shall be entitled to organize the counting for the votes if he/she challenges the voting result for any resolution. Provided that no counting has been organized by the chairman, such shareholders or their proxies attending the meeting who challenge the result of voting, shall be entitled to require an immediate count upon the announcement of the voting result. A second round of counting shall be immediately organized by the chairman.

The results of vote counting at the shareholders' general meeting shall be recorded in the minutes of the meeting.

Such minutes of meeting, together with the signatures of the shareholders attending meeting and the powers of attorney concerning the proxies attend the meeting on behalf of others, shall be kept at the domicile of the Company.

Article 51 Resolutions of the general meeting shall be announced in a timely manner, and such announcement shall contain the following:

- (1) time, venue, method, convener and chairman of the meeting, as well as an explanation as to whether it is in compliance with relevant laws, administrative regulations, departmental rules, normative documents and the Articles of Association;
- (2) the number of shareholders (or their proxies) attending the meeting, the number of shares held by shareholders (or their proxies) and the proportion of the total voting shares of the Company;
- (3) the voting method of each proposal;
- (4) the voting results of each proposal; the name and shareholdings of the proposing shareholder(s) and the content of the proposal in the case of resolving on any proposal made by shareholders; and explanations about the abstention from voting of connected shareholders in the case of connected transactions being involved;
- (5) Conclusive opinions of the legal opinions. The full text of the legal opinions shall be disclosed if the proposal is vetoed at the general meeting;
- (6) Other information as required by relevant laws and regulations or applicable securities listing rules.

Article 52 A special note should be marked in the announcement on resolutions of general meeting for the resolution regarding failed proposals or previous resolutions that were amended at this shareholders' general meeting.

Article 53 Any resolution of the shareholders' general meeting of the Company shall be invalid in violation of laws and administrative regulations.

In the event that the procedures for convening and the voting at a shareholders' general meeting violate laws, administrative regulations or the Articles of Association, or the resolutions violate the Articles of Association, any shareholder may request the people's court to revoke within 60 days from the date of the resolutions (the dispute-settlement rules of the Articles of Association shall apply to holders of foreign shares).

Article 54 The shareholders' general meeting shall be recorded in minutes, for which the Secretary to the Board of Directors shall be responsible. The minutes of a shareholders' general meeting shall record the following contents:

- (1) the date, place and agenda of the meeting, and the name or title of the convener;
- (2) the name of the chairman of the meeting, and the Directors, Supervisors, President and other senior management attending or present at the meeting;
- (3) the number of such shareholders and the proxies thereof as attending the shareholders' general meeting, the number of voting shares held by the said shareholders and proxies thereof, and the percentage of the said shares to the total shares of the Company;

- (4) the process of discussion in respect of each proposal, highlights of speeches and the voting results;
- (5) details of the inquiries or suggestions of the shareholders, and the corresponding response or explanations;
- (6) the name(s) of the lawyer(s), counting officer(s) and monitoring officer(s); and
- (7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

Article 55 The attending Directors, Supervisors, Secretary to the Board of Directors, convener or representative thereof, and the chairman of the meeting shall sign the minutes of the meeting. The convener shall ensure the meeting minutes are true, accurate and complete. The minutes of the meeting, the signed attendance record of those shareholders on the scene and the powers of attorney of those attending by proxy, as well as valid information relating to the voting online or by other means shall be kept together for no less than 20 years.

Article 56 Shareholders may consult photocopies of the minutes of meetings free of charge during the business hours of the Company. In the event of any shareholder asking for photocopies of such minutes, the Company shall deliver the photocopies in seven days after receiving rational expenses.

Article 57 Where a resolution on the election of Directors or Supervisors is passed at the shareholders' general meeting, the term of office of the newly-elected Director or Supervisor shall commence in accordance with the Articles of Association.

Article 58 Where the shareholders' general meeting has passed proposals regarding cash distribution, bonus issue or conversion of statutory surplus reserve into share capital, the specific proposals shall be implemented within 2 months after the close of the general meeting.

Article 59 The secretary to the Board of Directors shall be responsible for keeping the written materials such as the register of attendees, power of attorney, voting ballots, voting statistical sheet, meeting minutes and resolution announcements.

Chapter 6 Special Procedures for Voting by Class Shareholders

Article 60 Shareholders holding different classes of shares shall be class shareholders.

Class shareholders enjoy rights and responsibilities, pursuant to laws, administrative regulations and the Articles of Association.

Except for holders of shares of other classes, the holders of domestic shares and overseas listed foreign shares are different classes of shareholders.

Article 61 Any variation or abrogation of the rights of any class of shareholders proposed by the Company shall be approved by a special resolution at the shareholders' general meeting and by the shareholders of the affected class at a separate class meeting convened in accordance with Article 63 to Article 67.

Article 62 The following circumstances shall be deemed to be variation or abrogation of the rights of shareholders of a certain class:

- (1) increase or decrease in the number of shares of that class, or increase or decrease in the number of shares of another class having the same or more rights in voting, distribution or other privileges;
- (2) conversion of all or part of the shares of that class into shares of other classes, or conversion of all or part of the shares of other classes into shares of that class or granting rights of such conversion;
- (3) removal or reduction of the entitlement and rights to receive or retain dividends attributable to shares of that class;
- (4) reduction or removal of the priority of the shares of that class to receive dividends or distribution in the event of liquidation of the Company;
- (5) increase, removal or reduction of the right of conversion, options, voting rights, the right to transfer, priority in placement of shares and the right to acquire securities of the Company attached to shares of that class;
- (6) removal or reduction of the right to receive sums payable by the Company in particular currencies attached to shares of that class;
- (7) creation of a new class of shares having the same or more rights in voting, distribution or other privileges;
- (8) imposing or strengthening the restriction on the transfer or holding of the shares of that class;
- (9) issue of rights to subscribe for or convert into shares of that class or other classes;
- (10) increase in the rights and privileges of shares of other classes;
- (11) proposed restructuring of the Company which shall result in different classes of shareholders having to assume disproportionate liabilities;
- (12) alteration or cancellation of the provisions set out in this chapter.

Article 63 Shareholders of the affected class, whether or not having the right to vote at the shareholders' general meeting, shall have the right to vote at the class meeting in relation to any of the matters referred to in items (2) to (8), (11) to (12) of Article 62 above, but interested shareholders shall abstain from voting at the relevant class meeting.

The term interested shareholders in the preceding paragraph shall have the following meanings:

- (1) in case of a repurchase of shares by the Company by way of a general offer to all shareholders in equal proportion or by way of open market transactions on a stock exchange in accordance with Article 27 of the Articles of Association, the controlling shareholders as defined herein shall be the "interested shareholders";

- (2) in case of a repurchase of shares by the Company by an over the counter agreement in accordance with Article 27 of the Articles of Association, the shareholders in relation to such agreement shall be the “interested shareholders”;
- (3) in case of a proposed restructuring of the Company, shareholders who assume a relatively lower proportion of obligations than those imposed on the other shareholders of that class or who have an interest in the proposed restructuring that is different from the general interests in such proposed restructuring of the other shareholders of that class shall be the “interested shareholders”.

Article 64 Resolution of a shareholders’ class meeting shall be passed only by two-thirds or above of the total voting rights being held by the shareholders of that class, who are entitled to do so, present and vote at the shareholders’ class meeting in accordance with Article 63.

Article 65 Shareholders convening class meeting of the Company shall issue a written notice to all registered shareholders of such class within the prescribed period for notice of meeting as set out in Article 17 of these rules, specifying the matters to be considered at and the venue, date and time of the meeting.

Article 66 Notice of the shareholders’ class meeting shall be served only on the shareholders entitled to vote thereat.

The shareholders’ class meeting shall be held according to the procedures, to the extent possible, as that applicable to a shareholders’ general meeting, unless otherwise specified in the Articles of Association. The provisions related to the procedures for the holding of a shareholders’ general meeting in the Articles of Association shall be applicable to a shareholders’ class meeting.

Article 67 The special procedures for voting by class shareholders shall not apply under the following circumstances:

- (1) with the approval by a special resolution at a shareholders’ general meeting, the Company issues domestic shares and overseas listed foreign shares at intervals of 12 months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of its respective numbers of each of the issued and outstanding domestic shares and overseas listed foreign shares;
- (2) a plan of the Company to issue domestic shares and overseas listed foreign shares upon its establishment, and which had been completed within 15 months from the date of approval by the securities regulatory authority under the State Council;
- (3) with the approval of the securities regulatory authority under the State Council, the shareholders of domestic shares of the Company transfer their shares to overseas investors and list and trade the said shares on overseas stock exchanges.

Chapter 7 Supplementary Provisions

Article 68 Unless otherwise specified, the terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 69 In case of any matters not covered herein or any conflict between these Rules and the laws, administrative regulations, other relevant regulatory documents or the Articles of Association promulgated after these Rules become effective, the laws, administrative regulations, other relevant regulatory documents or the Articles of Association shall prevail.

Article 70 Unless otherwise provided in these Rules, the terms “or above” and “within” in these Rules shall all include the given figure; the terms “exceed”, “less than”, “more than” and “below” shall all exclude the given figure.

Article 71 These rules shall become effective on the date of approval at the general meeting. From the effective date of these rules, the existing Rules of Procedure for Shareholders’ General Meetings of the Company and amendments thereto shall lapse automatically.

Article 72 These rules shall be subject to interpretation of the Board of the Company.

ANNEX II: RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS

Article 1 Purpose

In order to further regulate the rules of procedure and decision-making of the Board of Directors of 東方證券股份有限公司 (hereinafter referred to as the “**Company**”), facilitate the Directors and the Board of Directors to effectively perform their duties, and improve the level of standard operation and scientific decision-making of the Board of Directors, these Rules 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 Rules for Governance of Securities Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”) and other relevant laws, regulations, rules and normative documents as well as the Articles of Association of 東方證券股份有限公司 (hereinafter referred to as the “**Articles of Association**”) and other provisions.

Article 2 Office of the Board of Directors

An office of the Board of Directors has been established under the Board of Directors to handle the daily affairs of the Board of Directors and keep the seals of the Board of Directors and the office of the Board of Directors. The secretary to the Board of Directors may designate securities affairs representatives and other relevant personnel to assist in handling daily affairs.

Article 3 Regular Meetings

Meetings of the Board of Directors include regular meetings and extraordinary meetings.

The meetings of the Board of Directors shall be held at least four times a year at approximately quarterly intervals. The meetings of the Board of Directors shall be convened by the chairman of the Board of Directors. Written notice of the regular Board meeting shall be given to all Directors at least fourteen days before convening the meeting.

Article 4 Proposal of Regular Meetings

Before issuing the notice of regular meeting of the Board of Directors, the office of the Board of Directors may seek the opinions of the relevant Directors, and form the initial proposal of the meeting and submit it to the chairman of the Board of Director for finalizing.

The chairman of the Board of Directors shall, if necessary, seek the opinions of the president and other senior management before finalizing the proposals.

Article 5 Extraordinary Meetings

When it falls within one of the following circumstances, the Chairman shall convene an extraordinary meeting within ten days:

- (1) when the shareholders representing more than one-tenth of voting rights make a proposal;
- (2) when more than one-third Directors jointly make a proposal;
- (3) when the Supervisory Committee makes a proposal;
- (4) when the chairman thinks necessary;
- (5) when over half of the independent Directors make a proposal;
- (6) when the president makes a proposal;
- (7) other circumstances stipulated by relevant laws, regulations, rules, normative documents and the Articles of Association of the Company.

Article 6 Proposing Procedures for Extraordinary Meetings

Where an extraordinary meeting of the Board is proposed in accordance with the provisions set out in the preceding paragraph, a written proposal signed under the hand (or seal) of the proponent shall be submitted through the Office of the Board or directly to the Chairman of the Board. The following shall be indicated in the written proposal:

- (1) the name of the proponent;
- (2) the reasons for the proposal or objective facts/causes on which the proposal is based;
- (3) the time or timeframe, venue and form of the proposed meeting;
- (4) the proposals in clear and specific terms;
- (5) the contact information of the proponent and the date of proposal, etc.

The proposals shall be concerning matters that fall within the scope of the authorities of the Board as prescribed in the Articles of Association, and be submitted together with the relevant materials.

After receiving the aforesaid written proposals and the relevant materials, the Office of the Board shall forward such to the Chairman on the same day. If the Chairman considers the contents of the proposals not clear and not specific, or considers the relevant materials insufficient, the Chairman may request the proponent to revise or supplement the relevant contents.

Article 7 Convening and Presiding over Meetings

Board meetings shall be convened and presided over by the chairman; where the chairman is unable or fails to perform his/her duties, the vice chairman shall convene and preside over such meetings (where the Company has two or more vice chairmen, the vice chairman jointly elected by more than half of the Directors shall perform such duties); where the vice chairman is unable or fails to perform such duties, a Director jointly elected by more than half of the Directors shall convene and preside over such meetings.

Article 8 Notice of Meeting

For a regular meeting or an extraordinary meeting, the Board office shall send a written notice of meeting bearing the seal of the Board office by personal delivery, postal mail or fax 14 days and 5 days before a regular meeting of the Board and an extraordinary meeting of the Board, respectively.

Where an extraordinary meeting of the Board needs to be convened in emergency, the meeting notice shall be given by telephone, fax, e-mail or in other verbal forms at any time, provided that the convener makes necessary explanations at the meeting.

Article 9 Contents of the Notice of the Meeting

A written notice on the meeting shall at least include:

- (1) the time, venue and duration of the meeting;
- (2) the form in which the meeting is convened;
- (3) the matters (proposals) to be reviewed;
- (4) the requirement on that a Director shall attend the meeting in person or shall appoint other Directors to attend the meeting on his/her behalf;
- (5) the contact person and contact method;
- (6) the date of issuing the notice.

A verbal notice on meeting shall at least include the contents set out in paragraphs (1) and (2) above, as well as explanations for the convening of an extraordinary meeting of the Board under urgent circumstances.

If two or more independent Directors consider that the meeting materials are incomplete, the argumentation is insufficient or the provision is not timely, they may propose in writing to the Board to postpone the convening of the meeting or postpone the consideration of the matter, and the Board shall adopt such proposal.

Article 10 Change of Notice of Meeting

After issuing the written notice of a regular meeting of the Board of Directors, if it is necessary to change the time, venue and other matters of the meeting or add, change or cancel the meeting proposal, a written notice of change shall be issued three days prior to the date of the original meeting to explain the situation and the relevant contents and relevant materials of the new proposal. If less than three days are left, the meeting shall be postponed accordingly or be convened as scheduled with the written approval from all the participating Directors.

After issuing the notice of an extraordinary meeting of the Board of Directors, if it is necessary to change the time, venue and other matters of the meeting or add, change or cancel the meeting proposal, a prior consent of all the participating Directors shall be obtained and well documented.

Article 11 Convening of Meetings

A meeting of the Board of Directors shall not be held unless more than half of the Directors are present. Where the quorum of the meeting cannot be met due to the refusal or failure of the relevant Directors to attend the meeting, the chairman of the Board of Directors and the secretary to the Board of Directors shall report to the regulatory authorities.

The Supervisors may attend the meetings of the Board of Directors and the president and the secretary to the Board of Directors shall attend the meetings of the Board of Directors if they are not concurrently serving as Directors. When necessary, other relevant persons whom the chairman of the meeting believes need to attend the meeting may be notified to attend the meeting of the Board of Directors.

Article 12 Attending in Person or by Proxy

The Directors shall attend the meeting of the Board in person. Any Director who cannot attend the meeting for any reason shall review the meeting documents and form his/her definite opinions in advance and appoint another Director in writing to attend the meeting on his/her behalf.

The power of attorney shall specify:

- (1) the names of the appointor and the proxy;
- (2) the appointor's scope of authority and voting intention on the proposal (in relation to voting on proposals, the appointor should specify his/her opinions on vote for, vote against or abstain from voting on each of the proposals in the power of attorney);
- (3) the valid period of authorization of the appointor;
- (4) the appointor's signature, date of signature, etc.

The Director who entrusts other Directors to sign the written confirmation opinions for regular reports on his/her behalf shall make a special authorization in the power of attorney.

The entrusted Director shall submit the written power of attorney to the chairman of the meeting and explain the entrusted attendance in the attendance book of the meeting.

Article 13 Restriction on Proxy Attendance

Proxy attendance at meetings of the Board of Directors shall follow the principles below:

- (1) When connected transactions are considered, a non-connected Director shall not appoint a connected Director to attend the meeting on his/her behalf; and a connected Director shall also not accept the appointment of a non-connected Director;
- (2) An independent Director shall not appoint a non-independent Director to attend the meeting on his/her behalf, and a non-independent Director shall not accept the appointment of an independent Director;
- (3) A Director shall not give any other Director carte blanche to attend the meeting and vote on his/her behalf without providing his/her own opinions and voting intent on the proposals, and the relevant Director shall also not accept the carte blanche or any appointment not well defined;
- (4) A Director shall not accept the appointment of more than two Directors, and a Director shall not appoint any other Director who has been appointed by two other Directors to attend the meeting on his/her behalf.

Article 14 Convening Mode of the Meeting

The Board of Directors meeting shall be convened by way of physical meetings, or through video and teleconference to ensure that the Directors can fully express their opinions; If the meeting is convened through video and teleconference, the voting and resolutions can be made by means of facsimile.

The Board of Directors meeting may be convened by way of combination with physical meetings, or through video and teleconference as needed.

Should a physical meeting or a video or telephone conference be unable to be held in case of emergency or owing to force majeure or other special reasons, the voting can be made by means of letter and facsimile, which means that the Directors shall sign the vote opinions and serve them on the Board office of the Company within the specified time by means of letter or facsimile.

For a meeting other than physical meetings, the number of the Directors attending the meeting shall be calculated according to the Directors present in the video, the Directors expressing opinions in the telephone conference, the valid voting opinions actually received by fax or letter within the prescribed time limit, or the written confirmation letter of having attended the meeting as submitted by the Directors afterwards.

Article 15 Consideration Procedures of the Meetings

The presider shall request all the Directors attending the meeting of the Board of Directors to express clear opinions in respect of each proposal.

With respect to the proposals that need to be approved by more than half of the independent Directors for convening a special meeting of independent Directors in accordance with the regulations, and that need to be approved by more than half of all members for convening a meeting of the Audit Committee of the Board of Directors, and that need to be recommended by the Remuneration and Nomination Committee of the Board of Directors to the Board of Directors, the presider shall, before considering relevant proposals, designate one independent Director or member of the relevant committee to read out the resolutions and opinions of the special meeting of independent Directors or relevant committees.

In case any Director repeats the same proposal or the speech of any Director exceeds the scope of the proposal, which affects the speech of other Directors or hinders the normal progress of the meeting, the chairman of the meeting shall stop the Director in a timely manner.

Unless the unanimous consent of all Directors attending the meeting is obtained, the meeting of the Board of Directors shall not vote on the proposals not included in the notice of the meeting. The Directors who are appointed by other Directors to attend the meeting of the Board of Directors on their behalf shall not vote on the proposals not included in the notice of the meeting on behalf of such other Directors.

Article 16 Expression of Opinions

Directors shall carefully read documents relating to the meeting and shall express well-informed, independent and discreet opinions.

The Directors may, before the meeting, inquire about information required for decision-making from relevant persons or institutions such as the office of the Board of Directors, the convener of the meeting, the president and other senior management members, special committees, accounting firms and law firms, and may, during the course of the meeting, suggest to the chairman of the meeting that the aforesaid persons or institutions appear at the meeting to make relevant explanations.

Directors may, upon reasonable request, seek independent professional advice in appropriate circumstances, at the Company's expense. The Board of Directors shall resolve to provide separate independent professional advice to Directors to assist them to discharge their duties to the Company.

Article 17 Voting at Meetings

After adequate discussion of a proposal, the presider shall submit it separately to voting by the attending Directors one by one in due course.

One person shall have one vote when voting on the resolution of the Board of Directors, by open ballot or by a show of hands.

The voting intention of a Director may be pro, con or abstention. The attending Directors shall choose one of the above-mentioned intentions. Where any Director does not make any option or makes two or more options, the chairman of the meeting shall require the said Director to make an option again, otherwise the said Director shall be deemed as having abstained from voting; any Director who has left the meeting midway without coming back and has not made any option shall be deemed as having abstained from voting.

Article 18 Counting Voting Results

The securities affairs representative and relevant staff of the Board office shall responsively collect ballots cast by the Directors, which shall be counted by the secretary to the Board under supervision of a Supervisor or independent Director.

Where a meeting is held onsite, the chairman of the meeting shall announce the counting results on the spot. In other circumstances, the chairman of the meeting shall require the secretary to the Board of Directors to inform the Directors of the voting results within a working day after the prescribed voting deadline.

The ballots cast by Directors after the chairman of the meeting announces the voting results or after the prescribed voting deadline shall not be counted.

Article 19 Formulation of Resolutions

Saved as otherwise provided in the Articles of Association and these Rules, adoption of or resolution on any proposal shall be subject to approval of more than half of all the Directors of the Company. In the case of an equality of votes, the chairman of the Board of Directors shall be entitled to one additional vote. Where laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the Articles of Association of the Company have any provisions on approval of more Directors, such provisions shall prevail.

Any resolution made by the Board of Directors on any guarantee within its range of authority in accordance with the provisions of the Articles of Association of the Company shall be subject to the approval of more than two-thirds of the Directors present at the meeting in addition to the approval of more than half of all the Directors of the Company.

If different resolutions conflict with each other in terms of content and meaning, the resolutions formed later shall prevail.

Article 20 Abstention from Voting

In any of the following circumstances, the Directors shall abstain from voting on the relevant proposals:

- (1) the listing rules of the place where the shares of the Company are listed provides for abstention of the Directors from voting;
- (2) the Directors themselves think they should abstain from voting;
- (3) the Directors are connected with the enterprises involved by the motions and shall therefore abstain from voting pursuant to the Articles of Association of the Company.

Where any Director abstains from voting, the relevant meeting of the Board of Directors may be held when more than half of the non-connected Directors attend the meeting, and the resolution shall be passed by more than half of the non-connected Directors. If the number of non-connected Directors present at the meeting is less than three, the relevant proposal shall not be voted on but shall be submitted to the shareholders' general meeting for consideration.

If a substantial shareholder (holding 10% or more of the shares) or a Director has a conflict of interest in a matter to be considered by the Board of Directors, which the Board of Directors has determined to be material, the matter should be dealt with by a physical Board meeting rather than a written resolution. Independent Directors who, and whose close associates, have no material interest in the transaction should be present at such Board meeting.

Article 21 No Ultra Vires

The Board of Directors shall act in strict accordance with the authorization of the shareholders' general meeting and the Articles of Association of the Company and shall not make any resolution beyond authority.

Article 22 Special provisions on profit distribution

Where a resolution on the distribution of profits of the Company is necessary to be made in the meeting of the Board of Directors, it may first notify the certified public accountant of the distribution proposal to be submitted to the Board of Directors for consideration, and require them to issue the audit report draft thereon (all financial data other than those relating to the distribution shall have been determined). The Board of Directors, after the distribution resolution is made, shall ask the certified public accountant to issue the formal audit report and then make resolutions on other relevant matters of the regular reports accordingly.

Article 23 Processing of Proposals not Passed

Where any proposal is not passed, any meeting of the Board of Directors shall not consider the proposal with the same content within one month if the relevant conditions and factors have not changed significantly.

Article 24 Audio Recording of Meetings

Board meetings held on-site and by means of video or telephone may be recorded throughout the whole process.

Article 25 Meeting Minutes

The Secretary to the Board of Directors shall arrange Board office staff to record the minutes of the Board of Directors meeting. Minutes shall be signed by all attending Directors, the Secretary to the Board of Directors and the person taking the minutes. The minutes shall be true, accurate and complete, and fully reflect the opinions of the participants on the matters considered, including the following information:

- (I) the session, time, venue and form of the meeting;
- (II) the issuance of the notice of the meeting;

- (III) convener and presider of the meeting;
- (IV) attendance and proxy attendance of Directors;
- (V) the agenda of the meeting;
- (VI) the proposals considered at the meeting, the key points and main opinions of each Director on the relevant matters (including any doubts raised or objections expressed by the Directors), and the voting intention on the proposals;
- (VII) the voting method and results of each proposal (stating the respective numbers of pros, cons and abstentions);
- (VIII) other matters that the attending Directors consider should be recorded.

After the conclusion of a meeting of the Board of Directors, the secretary to the Board of Directors shall send the draft and final versions of the minutes to all Directors for their comments and records respectively, within a reasonable time.

Article 26 Summary of Meeting and Records of Resolutions

In addition to the meeting minutes, the secretary to the Board of Directors may also arrange the staff of the office of the Board of Directors to prepare a clear and concise summary of the meeting and make separate records of the resolutions made at the meeting based on the voting results.

Article 27 Signature of Directors

The attending Directors shall sign the meeting minutes and resolution records for confirmation on behalf of themselves and the Directors who authorize them to attend. Where the Directors disagree over the meeting minutes and resolution records, they may attach written remarks when signing the same. Where necessary, they shall responsively report to the regulatory authorities or make public statements.

Where any Director neither signs as per the preceding paragraph nor provides his/her different opinions in writing, reports to the regulatory authorities or makes public statement, the said Supervisor shall be deemed as agreeing entirely with the contents of the meeting minutes and the resolution record.

Article 28 Announcement on Resolutions

Resolutions made by the Board of Directors shall be announced by the secretary to the Board of Directors in accordance with the relevant provisions of the listing rules of the place where the shares of the Company are listed. Before announcement of the resolutions, the attending Directors, the persons attending the meeting, the recording and service personnel shall be obliged to keep the contents of the resolutions confidential.

Article 29 Implementation of Resolutions

The chairman of the Board of Directors shall procure the relevant persons to implement the resolutions formed by the Board of Directors, check the implementation of resolutions, and report at future meetings of the Board of Directors the implementation of resolutions adopted.

The independent Directors shall continue to pay attention to the implementation of the resolutions of the Board of Directors in relation to the matters described in Article 15 of these Rules that require consideration or suggestions by the independent Directors and the special committees of the Board of Directors, and shall report to the Board of Directors in a timely manner if they find that there are any violations of laws, administrative regulations, provisions of the CSRC, business rules of the stock exchange and the Articles of Association, or violations of the resolutions of the general meeting and the Board of Directors, and may require the Company to make written explanations.

Article 30 Keeping of Meeting Archives

The archives of a meeting of the Board of Directors (including meeting notice and meeting materials, attendance book, powers of attorney for proxy Directors, audio recording materials of the meeting, votes, minutes signed and confirmed by the participating Directors, summaries of meetings, records of the resolutions) shall be maintained by the secretary to the Board of Directors. Any Director may inspect the summary of the meeting at a reasonable time by giving a reasonable notice to the Company.

Archives of meetings of the Board of Directors shall be kept for at least 20 years.

Article 31 Supplementary Provisions

Unless otherwise specified, the terms used herein shall have the same meaning as those defined in the Articles of Association.

In case of any matters not covered herein or any conflict between these Rules and the laws, administrative regulations, other relevant regulatory documents or the Articles of Association promulgated after these Rules become effective, the laws, administrative regulations, other relevant regulatory documents or the Articles of Association shall prevail.

Unless otherwise provided in these Rules, the terms “or above” and “within” in these Rules shall all include the given figure; the terms “exceed”, “less than” and “over” shall all exclude the given figure.

These rules are formulated by the Board, and shall become effective on the date of approval at the general meeting. From the effective date of these rules, the existing Rules of Procedure for the Board of Directors of the Company and amendments thereto shall lapse automatically.

These rules shall be subject to interpretation of the Board of the Company.

ANNEX III: RULES OF PROCEDURE FOR THE SUPERVISORY COMMITTEE

Article 1 Purpose

In order to further regulate the rules of procedure and decision-making of the Supervisory Committee of 東方證券股份有限公司 (hereinafter referred to as the “**Company**”), facilitate the Supervisors and the Supervisory Committee to effectively perform their supervisory duties, and improve the corporate governance structure of the Company, these Rules 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 Rules for Governance of Securities Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”) and other relevant laws, regulations, rules and normative documents as well as the Articles of Association of 東方證券股份有限公司 (hereinafter referred to as the “**Articles of Association**”) and other provisions.

Article 2 Office of the Supervisory Committee

An office of the Supervisory Committee has been established under the Supervisory Committee to handle the daily affairs of the Supervisory Committee.

The person in charge of the office of the Supervisory Committee shall keep the seals of the Supervisory Committee and the office of the Supervisory Committee. The person in charge of the office of the Supervisory Committee may request other personnel of the Company to assist in handling the daily affairs of the Supervisory Committee.

Article 3 Regular and Extraordinary Meetings of the Supervisory Committee

Meetings of the Supervisory Committee include regular meetings and extraordinary meetings.

Regular meetings of the Supervisory Committee shall be convened at least once every 6 months. Under any of the following circumstances, the Supervisory Committee shall convene an extraordinary meeting within ten days:

- (1) when any supervisor so requests;
- (2) when a shareholders’ general meeting or a meeting of the Board of Directors passed resolutions that violate laws, regulations, rules, the provisions and requirements of regulatory authorities, the Articles of Association, the resolutions of the shareholders’ general meeting and other relevant provisions;
- (3) when the misconduct of Directors and senior management may cause material damage to the Company or result in adverse impact in the market;
- (4) when lawsuits are filed by shareholders against the Company, Directors, Supervisors and senior management;

- (5) when the Company, Directors, Supervisors and senior management are punished by securities regulatory authorities or censured publicly by stock exchanges;
- (6) when the securities regulatory authorities so request;
- (7) other circumstances specified in the Articles of Association.

Article 4 Proposal of Regular Meetings

Before issuing the notice of regular meeting of the Supervisory Committee, the office of the Supervisory Committee may collect proposals from the relevant Supervisors. When collecting proposals, the office of the Supervisory Committee shall explain that the Supervisory Committee focuses on the supervision of the standard operation of the Company and the conduct of Directors and senior management rather than making decisions on the operation and management of the Company.

Article 5 Proposing Procedures for Extraordinary Meetings

Any proposal of any Supervisor for convening an extraordinary meeting of the Supervisory Committee shall be made in written form, affixed with the signature (seal) of the said Supervisor and submitted to the office of the Supervisory Committee or directly to the Chairman of the Supervisor Committee. A written proposal shall specify:

- (1) the name of the proposing Supervisor;
- (2) the reasons for the proposal or objective facts/causes on which the proposal is based;
- (3) the time or duration, venue and form of the proposed meeting;
- (4) the proposals in clear and specific terms;
- (5) the contact information of the proposing Supervisor and the date of proposal, etc.

The proposals of an extraordinary meeting of the Supervisory Committee shall be concerning matters that fall within the scope of the authorities of the Supervisory Committee as prescribed in the Articles of Association, and be submitted together with the relevant materials.

Within three days after the office of the Supervisory Committee or the chairman of the Supervisory Committee receives a written proposal from a Supervisor, the office of the Supervisory Committee shall issue a notice of convening an extraordinary meeting of the Supervisory Committee.

If the office of the Supervisory Committee fails to issue the notice of meeting, the proposing Supervisors shall report to the regulatory authorities in a timely manner.

Article 6 Convening and Presiding over Meeting

Meetings of the Supervisory Committee shall be convened and presided over by the chairman of the Supervisory Committee; where the chairman of Supervisory Committee is unable or fails to perform his/her duties, the vice chairman of the Supervisory Committee shall convene and preside over such meetings; where the vice chairman is unable or fails to perform such duties, a Director jointly elected by more than half of the Directors shall convene and preside over such meetings.

Article 7 Notice of Meeting

For a regular meeting or an extraordinary meeting of the Supervisory Committee, the office of Supervisory Committee shall send a written notice of meeting bearing the seal of the office of Supervisory Committee by personal delivery, postal mail or fax 10 days and 5 days before a regular meeting and an extraordinary meeting, respectively.

Where an extraordinary meeting of the Supervisory Committee needs to be convened in emergency, the meeting notice shall be given by telephone, fax, e-mail or in other verbal forms at any time, provided that the convener makes necessary explanations at the meeting.

Article 8 Contents of the Notice of the Meeting

A written notice on the meeting shall at least include:

- (1) the time, venue and duration of the meeting;
- (2) the convener and chairman of the meeting and the proposer of the extraordinary meeting and his/her written proposals;
- (3) the matters (proposals) to be reviewed;
- (4) meeting materials necessary for Supervisors to vote;
- (5) the requirement on that a Supervisor shall attend the meeting in person or shall appoint other Supervisors to attend the meeting on his/her behalf;
- (6) the contact person and contact method;
- (7) the date of issuing the notice.

A verbal notice on meeting shall at least include the contents set out in paragraphs (1) and (3) above, as well as explanations for the convening of an extraordinary meeting of the Supervisory Committee under urgent circumstances.

Article 9 Attendance of Meetings

The Supervisors shall attend the meeting of the Supervisory Committee in person. Any Supervisor who cannot attend the meeting for any reason shall review the meeting documents and form his/her definite opinions in advance and appoint another Supervisor in writing to attend the meeting on his/her behalf.

The power of attorney shall specify:

- (1) the names of the appointor and the proxy;
- (2) the appointor's scope of authority and voting intention on the proposal;
- (3) the valid period of authorization of the appointor;
- (4) the appointor's signature, date of signature, etc.

The Supervisor who entrusts other Supervisors to sign the written confirmation opinions for regular reports on his/her behalf shall make a special authorization in the power of attorney.

The entrusted Supervisor shall submit the written power of attorney to the chairman of the meeting and explain the entrusted attendance in the attendance book of the meeting.

Article 10 Convening Mode of the Meeting

The Supervisory Committee shall organize on-site meetings, video conferences or teleconferences to ensure that all Supervisors may fully express their opinions. For any meetings convened via video or telephone, votes may be made and resolutions may be adopted by facsimile.

The meetings of the Supervisory Committee may adopt the form of on-site meetings, video conferences, teleconferences or a combination thereof, if necessary. If the meeting cannot be convened on site or via video or telephone due to emergency or force majeure and other special reasons, voting may be made by letter or facsimile, namely, the result of voting shall be signed by all Supervisors and sent to the office of the Supervisory Committee by letter or facsimile within the specified timeframe.

For a meeting other than on-site meetings, the number of the Supervisors attending the meeting shall be calculated according to the Supervisors present in the video, the Supervisors expressing opinions in the telephone conference, the valid voting opinions actually received by fax or letter within the prescribed time limit, or the written confirmation letter of having attended the meeting as submitted by the Supervisors afterwards.

Article 11 Convening of Meetings

A meeting of the Supervisory Committee shall be attended by more than half of the Supervisors. Where any relevant Supervisor refuses or fails to attend the meeting so that the number of attendees falls short of the quorum required for convening the meeting, other Supervisors shall responsively report to the regulatory authority.

The secretary to the Board and the securities affair representative shall be present at meetings of the Supervisory Committee as non-voting representatives, and the compliance officer has the right to attend or be present at the meetings of Supervisory Committee. The chairman of the meeting may, if thought necessary, notify other relevant persons to be present at the meetings of Supervisory Committee without voting rights.

Article 12 Consideration Procedures of the Meetings

The presider of the meeting shall request all the attending Supervisors to express clear opinions in respect of each proposal.

The president of the meeting shall, according to the proposal of the Supervisors, require the Directors, senior management, other employees of the Company or the business personnel of relevant intermediary agencies to attend the meeting to accept inquiries.

Article 13 Resolutions of the Supervisory Committee

One person shall have one vote when voting on the resolution of the Supervisory Committee, by open ballot or by a show of hands as determined by the chairman of the Supervisory Committee.

The voting intention of a Supervisor may be pro, con or abstention. The attending Supervisors shall choose one of the above-mentioned intentions. Where any Supervisor does not make any option or makes two or more options, the chairman of the meeting shall require the said Supervisor to make an option again, otherwise the said Supervisor shall be deemed as having abstained from voting; any Supervisor who has left the meeting midway without coming back and has not made any option shall be deemed as having abstained from voting.

Resolutions made by the Supervisory Committee shall be approved by more than two-thirds of the members of the Supervisory Committee.

Article 14 Audio Recording of Meetings

Meetings of the Supervisory Committee may be recorded throughout the whole process.

Article 15 Meeting Minutes

The staff of the office of the Supervisory Committee shall record the minutes of on-site meetings. Minutes shall be signed by all attending Supervisors and the person taking the minutes. The minutes shall include the following information:

- (I) the session, time, venue and form of the meeting;
- (II) the issuance of the notice of the meeting;
- (III) convener and presider of the meeting;
- (IV) attendance of Supervisors;
- (V) the proposals considered at the meeting, the key points and main opinions of each Supervisor on the relevant matters, and the voting intention on the proposals;
- (VI) the voting method and results of each proposal (stating the respective numbers of pros, cons and abstentions);
- (VII) other matters that the attending Supervisors consider should be recorded.

For meetings of the Supervisory Committee held by means of telecommunication, the office of the Supervisory Committee shall organize the minutes with reference to the above provisions.

Article 16 Signatures of Supervisors

The attending Supervisors shall sign the meeting minutes and resolution records for confirmation on behalf of themselves and the Supervisors who authorize them to attend. Where the Supervisors disagree over the meeting minutes and resolution records, they may attach written remarks when signing the same. Where necessary, they shall responsively report to the regulatory authorities or make public statements.

Where any Supervisor neither signs as per the preceding paragraph nor provides his/her different opinions in writing, reports to the regulatory authorities or makes public statement, the said Supervisor shall be deemed as agreeing entirely with the contents of the meeting minutes and the resolution record.

The Supervisory Committee shall review the securities offering documents and regular reports prepared by the Board and express its comments in writing. Supervisors shall provide written confirmation.

In the event that the Supervisors cannot assure the truthfulness, accuracy and completeness of contents of the securities offering documents and regular reports or disagree with such contents, they shall express their opinions and state the reason in the written opinions for confirmation, which shall be disclosed by the Company. In the event that the Company fails to disclose it, the Supervisors may directly apply for disclosure.

Article 17 Announcement on Resolutions

Resolutions made by the Supervisory Committee shall be announced by the secretary to the Board of Directors in accordance with the relevant provisions of the listing rules of the place where the shares of the Company are listed. Before announcement of the resolutions, the attending Supervisors, the persons attending the meeting, the recording and service personnel shall be obliged to keep the contents of the resolutions confidential.

Article 18 Implementation of Resolutions

Supervisors shall procure the relevant persons to implement the resolutions formed by the Supervisory Committee. The chairman of the Supervisory Committee shall report at future meetings of the Supervisory Committee the implementation of resolutions adopted.

Article 19 Keeping of Meeting Archives

The archives of a meeting of the Supervisory Committee (including meeting notice and meeting materials, attendance book, audio recording materials of the meeting, votes, minutes signed and confirmed by the participating Supervisors, resolution notice and others) shall be maintained by a person appointed by the chairman of the Supervisory Committee.

Archives of meetings of the Supervisory Committee shall be kept for at least 20 years.

Article 20 Miscellaneous

Unless otherwise specified, the terms used herein shall have the same meaning as those defined in the Articles of Association.

In case of any matters not covered herein or any conflict between these Rules and the laws, administrative regulations, other relevant regulatory documents or the Articles of Association promulgated after these Rules become effective, the laws, administrative regulations, other relevant regulatory documents or the Articles of Association shall prevail.

Unless otherwise provided in these Rules, the terms “or above” and “within” in these Rules shall all include the given figure.

These rules are formulated by the Supervisory Committee, and shall become effective on the date of approval at the general meeting. From the effective date of these rules, the existing Rules of Procedure for the Supervisory Committee of the Company shall lapse automatically.

These rules shall be subject to interpretation of the Supervisory Committee of the Company.