

Hebei Haiwei Electronic New Material Technology Co., Ltd.

Articles of Association (Draft)

(Effective upon the Listing of H Shares)

CONTENTS

CHAPTER 1	GENERAL PROVISIONS	1
CHAPTER 2	OBJECTIVES AND SCOPE OF BUSINESS	3
CHAPTER 3	SHARES	3
Section I	Issuance of Shares	3
Section II	Increase, Decrease and Repurchase of Shares	5
Section III	Transfer of Shares	7
CHAPTER 4	SHAREHOLDERS AND GENERAL MEETING	8
Section I	Shareholders	8
Section II	Controlling Shareholders and De Facto Controllers	13
Section III	General Provisions of the General Meeting	14
Section IV	Convening of the General Meeting	18
Section V	Proposals and Notices of the General Meeting	20
Section VI	Holding of the General Meeting	22
Section VII	Voting and Resolutions at General Meetings	27
CHAPTER 5	DIRECTORS AND THE BOARD OF DIRECTORS	33
Section I	Directors	33
Section II	Board of Directors	38
Section III	Independent Non-executive Directors	44
Section IV	Board Committees	48
CHAPTER 6	SENIOR MANAGEMENT	50
CHAPTER 7	FINANCIAL AND ACCOUNTING SYSTEM, PROFIT	
	DISTRIBUTION, AND AUDIT	53
Section I	Financial Accounting System	53
Section II	Internal Audit	56
Section III	Appointment of Accounting Firms	56
CHAPTER 8	NOTICE AND PUBLIC ANNOUNCEMENT	57
Section I	Notices	57
Section II	Announcements	58
CHAPTER 9	MERGER, DIVISION, INCREASE OF REGISTERED	
	CAPITAL, REDUCTION OF REGISTERED CAPITAL,	
	DISSOLUTION AND LIQUIDATION	58
Section I	Merger, Division, Capital Increase and Reduction	58
Section II	Dissolution and Liquidation	61
CHAPTER 10	AMENDMENTS TO THE ARTICLES OF ASSOCIATION	63
CHAPTER 11	SUPPLEMENTARY PROVISIONS	64

Hebei Haiwei Electronic New Material Technology Co., Ltd.

Articles of Association (Draft)

CHAPTER 1 GENERAL PROVISIONS

Article 1 For the purpose of safeguarding the legitimate rights and interests of Hebei Haiwei Electronic New Material Technology Co., Ltd. (hereinafter referred to as the “Company”), its shareholders and creditors, and regulating the organization and activities of the Company, the Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (《中華人民共和國公司法》) (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》) (hereinafter referred to as the “Securities Law”), the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) and other relevant provisions.

Article 2 The Company is a joint stock limited company established in accordance with the Company Law and other relevant requirements.

The Company was fully converted from Hebei Haiwei Group Electronic Material Co., Ltd. (河北海偉集團電子材料有限公司) and established by the original shareholders of Hebei Haiwei Group Electronic Material Co., Ltd. (河北海偉集團電子材料有限公司) by way of promotion. It was registered with the Hengshui Administration for Market Regulation and has obtained the business license (unified social credit code: 911311277941686219).

Article 3 The Company’s initial public offering of [•] overseas-listed foreign shares (the “H Shares”) (including [•] H Shares issued pursuant to the exercise of the Over-allotment Option) was filed with the China Securities Regulatory Commission (the “CSRC”) on [•] and approved by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on [•], which were listed on the Main Board of the Stock Exchange on [•].

Article 4 Company Registered Name:

Full Chinese Name: 河北海偉電子新材料科技股份有限公司

Full English Name: Hebei Haiwei Electronic New Material Technology Co., Ltd.

Article 5 Domicile of the Company: Jingxian Economic and Technological Development Zone; Postal code: 053300.

Article 6 The registered capital of the Company is RMB[•] million.

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

Article 8 The chairman of the Company is the legal representative of the Company.

If the director serving as the legal representative resigns, he/she shall be deemed to have resigned as the legal representative at the same time.

If the legal representative resigns, the Company shall appoint a new legal representative within 30 days from the date of resignation of the legal representative.

Article 9 The legal consequences of civil activities performed by a legal representative in the name of the Company shall be borne by the Company.

Any restrictions on the authority of the legal representative as stipulated in these Articles of Association or by the general meeting shall not be used against a bona fide counterparty.

Where the legal representative causes damage to any other person in the performance of his/her duties, the Company shall assume civil liability for such damage. After the Company bears civil liability, it may seek recourse against the legal representative who is at fault in accordance with the provisions of laws or these Articles of Association.

Article 10 The shareholder shall hold responsibility to the Company in accordance with its shares, while the Company shall be responsible for its debts with all its assets.

Article 11 The Articles of Association shall, from the date when it comes into force, constitute a legally binding document regulating the organization and activities of the Company, the rights and obligations between the Company and each shareholder and among the shareholders, and shall be binding on the Company and its shareholders, directors and senior management. Pursuant to the Articles of Association, shareholders may institute legal proceedings against other shareholders; shareholders may institute legal proceedings against directors and senior management of the Company; shareholders may institute legal proceedings against the Company; and the Company may institute legal proceedings against shareholders, directors and senior management.

Article 12 Senior management mentioned in these Articles refer to the manager, deputy manager, chief financial officer, and secretary of the board who are subject to the appointment by the board of the Company.

Article 13 The Company establishes an organization of the Communist Party of China and carries out various activities in accordance with the Constitution of the Communist Party of China. The Company shall provide the necessary conditions for the activities of the party organization.

CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 14 Business objective of the Company: To integrate diverse strengths for mutual benefit and grand achievements. We prioritize customer satisfaction and uphold the highest standards of quality.

Article 15 As registered in accordance with law, the scope of business of the Company includes: general project(s): production and sales of capacitor film, aluminum-coated film, copper-coated film; R&D of polymer materials and related services; leasing operations; import and export of goods or technology. (except for projects that require approval in accordance with the law, operating activities shall be carried out independently with the business license in accordance with the law).

CHAPTER 3 SHARES

Section I Issuance of Shares

Article 16 The shares of the Company shall take the form of registered share certificates. All shares issued by the Company are stocks with a nominal value of RMB[1] each.

The RMB referred to in the preceding paragraph is the legal currency of the People's Republic of China.

Where the capital of the Company includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares. Where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting".

Article 17 The shares of the Company shall be issued in an open, fair and equal manner. Each share of the same class shall rank *pari passu* with each other.

Shares of the same class and in the same issuance shall be issued under the same terms and at the same price; each share shall be subscribed for at the same price by any entity or individual.

Article 18 The shares issued by the Company shall be denominated in RMB.

Shares issued by the Company that are listed on the Stock Exchange are referred to as "H Shares", which are approved for listing on the Stock Exchange with nominal value denominated in Renminbi and subscribed and traded in Hong Kong dollars.

Article 19 The H Shares issued by the Company are mainly deposited with the nominee company under the Hong Kong Securities Clearing Company Limited. The unlisted domestic shares issued by the Company are centrally deposited with China Securities Depository and Clearing Corporation Limited.

Article 20 All promoters of the Company subscribed for the shares of the Company by converting the net assets corresponding to their shareholdings in the former Hebei Haiwei Group Electronic Materials Co., Ltd. (河北海偉集團電子材料有限公司) into shares, and fully paid up the registered capital upon the establishment of the Company. The promoters and the number of shares subscribed by them upon the establishment of the Company are as follows:

No.	Name of the promoter	Number of shares held (0'000 shares)	Shareholding percentage (%)
1	Song Wenlan	6,102.00	62.89
2	Jing County Haiwei Electronic Financial Management Consulting Co., Ltd. (景縣海偉電子財務管理諮詢有限公司)	2,649.20	27.31
3	Jing County Jiake Enterprise Management Consulting Partnership (Limited Partnership) (景縣嘉科企業管理諮詢合夥企業(有限合夥))	475.40	4.90
4	Jing County Changrui Enterprise Management Consulting Partnership (Limited Partnership) (景縣昌瑞企業管理諮詢合夥企業(有限合夥))	475.40	4.90
Total		9,702.00	100.00

Article 21 The Company has [•] million shares in total. The share capital structure of the Company is as follows: [•] ordinary shares.

Article 22 Both holders of domestic unlisted shares and holders of H Shares are ordinary shareholders and shall have the same rights and obligations.

Shareholders of the Company who apply to convert all or part of their holdings of domestic unlisted shares into H Shares for listing and trading on the Stock Exchange shall comply with the regulatory procedures, rules, and requirements of both domestic and overseas securities regulatory authorities. They shall entrust the Company to handle the relevant formalities, and no vote at the general meeting is required.

Article 23 Neither the Company nor any of its subsidiaries (including its affiliated enterprises) shall, by means of donation, advancement, guarantee, compensation, loan or other means, provide any financial assistance to any person purchases or intends to purchase shares in the Company, except when the Company implements the employee stock ownership plan.

For the benefit of the Company, by resolution of the general meeting or by resolution of the board of directors in accordance with these Articles of Association or the authorization of general meetings, the Company may provide financial assistance to others for the acquisition of shares of the Company or its parent company, provided that the cumulative total amount of the financial assistance shall not exceed 10% of the total amount of the issued share capital. Resolutions of the board of directors shall be passed by over two-thirds of all the directors.

Section II Increase, Decrease and Repurchase of Shares

Article 24 The Company may, based on its operating and development needs, increase its capital in the following ways pursuant to the requirements of laws and regulations and upon the resolutions separately passed at the general meetings:

- (I) by offering shares to non-specified investors;
- (II) by offering shares to specified investors;
- (III) by allotting bonus shares to its existing shareholders;
- (IV) by converting common reserve fund into share capital;
- (V) by any other means stipulated by laws, administrative regulations, regulatory rules of the place where the Company's shares are listed, and approved by the CSRC.

Article 25 The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the Company Law, Hong Kong Listing Rules and other relevant regulations as well as the procedures stipulated in the Articles of Association.

Article 26 The Company shall not purchase its shares. Nevertheless, under any of the following circumstances, the Company may purchase its shares in accordance with laws, administrative regulations, departmental rules, and the Articles of Association:

- (I) to reduce its registered capital;
- (II) to merge with other companies that hold the shares of the Company;

- (III) to use shares for employee stock ownership plans or share incentive schemes;
- (IV) upon request by shareholders who dissent from the resolution on merger or division of the Company made by the general meeting, to acquire their shares;
- (V) to use the shares for the conversion of the convertible corporate bonds issued by the Company;
- (VI) necessary for the Company to maintain its value and protect the interests of the shareholders;
- (VII) other circumstances as permitted by the laws, administrative regulations, departmental rules and regulatory rules of the place where the Company's shares are listed.

Article 27 The Company may repurchase its own shares through public centralized trading, or through other means recognized by laws, administrative regulations, the CSRC and the stock exchange where the Company's shares are listed.

For purchase(s) of the Company's shares in circumstances categorized under clauses (III), (V) and (VI) of Article 26 of these Articles of Association, the Company shall purchase its shares by open on-market centralized transactions.

Article 28 Where the Company acquires its shares under the circumstances set out in clauses (I) and (II) of Article 26 of these Articles of Association, it shall be subject to the resolution of the general meeting; where the Company acquires its shares under the circumstances set out in clauses (III), (V) and (VI) of Article 26 of these Articles of Association, it shall be subject to the resolution of the board meeting attended by more than two-thirds (2/3) of the Directors in accordance with the provisions of the Articles of Association or the mandate of the general meeting.

After the Company acquires its shares in accordance with Article 26 of these Articles of Association, if it is under the circumstance in clause (I), such shares shall be canceled within ten days from the date of acquisition; for the circumstance in clause (II) or (IV), such shares shall be transferred or canceled within six months; for the circumstance in clause (III), (V) or (VI), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

Section III Transfer of shares

Article 29 Shares of the Company shall be transferred in accordance with the law. The restriction, reduction, and other changes of shares held by shareholders, directors, and senior management members of the Company shall comply with the Company Law, Securities Law, Hong Kong Listing Rules, and relevant requirements on share changes of the stock exchange where the shares are listed.

All transfers of H Shares shall be effected by instruments of transfer in writing in a general or ordinary form or in any other forms acceptable to the Board (including the standard transfer format or form of transfer that Hong Kong Stock Exchange may provide from time to time); and such instrument of transfer may only be signed manually or stamped with the company's effective seal (if the transferor or the transferee is a company). If the transferor or transferee is a recognized clearing house or its agent as defined in the relevant regulations in force under the laws of Hong Kong from time to time, the instrument of transfer may be signed manually or in machine-printed form. All instruments of transfer shall be deposited at the legal address of the Company or at such address as the board of directors shall from time to time designate.

Article 30 The Company does not accept its own shares as the subject of pledge.

Article 31 The shares issued prior to any listing of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. Where there are other provisions in laws, administrative regulations or the securities regulatory authority under the State Council or regulatory rules of the place where the Company's shares are listed regarding the transfer of shares in the Company held by shareholders and actual controllers of listed companies, such provisions shall prevail.

The Directors and senior management of the Company shall declare the information on shares of the Company held by them and the changes therein. They shall not transfer more than 25% of all the shares they hold in the Company annually during their tenure. They shall not transfer the shares they hold within one year from the date on which the Company's shares are listed and commenced trading on a stock exchange. The aforesaid persons shall not transfer their shares of the Company within half a year from the date of their resignation. The Articles of Association may set out other restrictive provisions on the transfer of shares in the Company held by its Directors, and senior management of the Company.

Where the shares are pledged within the time limit for transfer prescribed by laws or administrative regulations, the pledgee may not exercise the pledge right within the time limit for transfer.

Where there are other provisions in the securities regulatory rules of the place where the Company's shares are listed in respect of the restrictions on the transfer, such provisions shall prevail.

Article 32 If any of the Company's directors, senior management members, or shareholders holding more than 5% of the Company's shares (other than a shareholder who is a recognized clearing house as defined in the relevant ordinances in force from time to time under the laws of Hong Kong), sell the shares or other securities with an equity nature of the Company held by him/her within six months after buying the same, or buy shares or securities within six months after selling such securities, the earnings therefrom shall belong to the Company and be taken back by the board of directors. However, this shall not apply to securities firms that buy and hold 5% or more of the remaining shares upon underwriting, and other circumstances stipulated by the listing rules of the place where the Company's shares are listed or by the CSRC.

Shares or other securities with the nature of equity held by directors, senior management and natural person shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, and held by them by using other people's accounts.

In the event that the board of directors of the Company does not comply with the provisions of the first paragraph of this Article, the shareholders are entitled to demand the board of directors to take enforcement action within 30 days. In the event that the board of directors fails to take the enforcement action within the aforesaid time limit, the shareholders are entitled to institute proceedings in their own names at the people's court for the benefit of the Company.

In the event that the board of directors of the Company does not comply with the provisions of the first paragraph of this Article, the directors who are liable for the matter shall assume joint liability under the law.

CHAPTER 4 SHAREHOLDERS AND GENERAL MEETING

Section I Shareholders

Article 33 The Company shall keep a register of members in accordance with evidentiary documents provided by the securities registration and clearing institutions. The register of members shall be sufficient evidence of the holding of the shares in the Company by the shareholders. The shareholders shall enjoy rights and undertake obligations according to the class of shares they hold; shareholders holding the same class of shares shall enjoy the same rights and undertake the same obligations.

Any shareholder who is registered in the register of members or any person who requests to have his/her name entered in the register of members may apply to the Company for a replacement of shares if his/her shares are lost. Holders of domestic shares who have lost their share certificates and wish to apply for the issue of replacement shall be dealt with in accordance with the relevant provisions of the Company Law. Holders of H Shares who have lost their share certificates and wish to apply for issue of replacement shall be dealt with in accordance with the laws of the jurisdiction where the original H Share register listed in Hong Kong is kept, the rules of the dealing in securities exchange, or other relevant regulations.

The original register of shareholders of H shares listed in Hong Kong shall be kept in Hong Kong for inspection by shareholders.

Article 34 When the Company convenes the general meeting, distributes dividends, goes into liquidation or is involved in other actions that require the confirmation of the shareholders' identities, the board of directors or the convener of the general meeting shall determine a record date for the determination of shareholdings, and the shareholders whose names are registered on the register of shareholders at closing on the record date shall be the shareholders entitled to the relevant interests. Where the relevant laws and regulations as well as the Hong Kong Listing Rules contain provisions which stipulate the period of closure of the register of shareholders prior to a general meeting or prior to the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail. If there are no specific provisions, the closure of register of members shall be determined by the board of directors. However, the aforesaid book closure period shall not exceed 30 days in total within one year, but may be extended by up to 30 days after consideration and approval at general meeting. Where the Company receives an application for inspection of the register of members during the book closure period, it shall, at the request of the applicant, issue to the applicant a certificate signed by the company secretary of the Company stating the approval authority for and the period of closure of register of members.

Article 35 Shareholders of the Company shall be entitled to the following rights:

- (I) to receive dividends and other forms of profit distribution according to the shareholding;
- (II) to require the holding of, convene, preside over, participate in or delegate proxies to attend the general meetings in accordance with the law, and to exercise corresponding voting rights;
- (III) to supervise the operations of the Company, and to make suggestions or inquiries;
- (IV) to transfer, grant or pledge the shares held by them in accordance with laws, administrative regulations and the Articles of Association;

- (V) to inspect and make copies of the Articles of Association, the register of shareholders, the minutes of the general meeting, the resolutions of the board of directors' meeting, and the financial accounting reports. Qualified Shareholders may also inspect the Company's accounting books and accounting vouchers;
- (VI) to participate in the distribution of the remaining property of the Company according to the shareholding when the Company is dissolved or liquidated;
- (VII) to require the Company to purchase their shares in the event that shareholders object to resolutions of the general meeting concerning merger or division of the Company;
- (VIII) other rights stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 36 A shareholder requesting for inspection or copies of information referred to in the preceding Articles shall comply with the provisions of the Company Law, Securities Law, and other relevant laws and administrative regulations, and produce to the Company written documents, certifying the class and number of shares of the Company that the shareholder holds. The Company shall provide such information and materials as requested by the shareholder after verifying the identity of the shareholder.

Article 37 If a resolution passed at the Company's general meeting or the Board meeting violates laws or administrative regulations, shareholders have the right to institute proceedings before a people's court to render the resolution invalid.

If the procedures for convening, or the methods of voting at, a general meeting or board meeting violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall be entitled to submit a petition to the people's court to rescind such resolution within 60 days from the date on which such resolution is passed, however, except that there are only minor defects in the convening procedures or voting method of a general meeting or a Board meeting, which do not materially affect the resolution.

Where the board of directors, shareholders and other stakeholders dispute the validity of a resolution of a general meeting, they shall promptly file a lawsuit with the people's court. Before the People's Court makes any judgment or ruling revoking the resolution, relevant parties shall execute the general meeting resolution. The Company and its directors and senior management shall faithfully perform their duties to ensure normal operation of the Company.

Where the People's Court makes a judgment or ruling on relevant matters, the Company shall perform its information disclosure obligations according to provisions of laws, administrative regulations, the CSRC and stock exchanges, fully explain its effects and actively cooperate with the execution after the judgment or ruling takes effect. Where previous matters need to be corrected, the Company shall handle the correction in a timely manner and fulfill its obligations to disclose the information accordingly.

Article 38 Resolutions of a general meeting or the Board of the Company shall not be established in any of the following circumstances:

- (I) the resolution is made without convening a general meeting or board meeting;
- (II) the resolution is not voted on at the general meeting or Board meeting;
- (III) the number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association;
- (IV) the number of persons agreeing to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association.

Article 39 If directors or senior management, other than members of the Audit Committee, in performing duties, violate laws, administrative regulations, or the provisions of these Articles of Association causing losses to the Company, shareholders who individually or collectively hold 1% or more of the Company's shares for more than 180 consecutive days have the right to request in writing the Audit Committee to initiate litigation to the People's Court. If the members of the Audit Committee contravene the law, administrative regulations or these Articles of Association when carrying out their duties resulting in losses to the Company, the aforementioned shareholders may request the Board in writing to commence litigation in the People's Court.

If the Audit Committee or the Board refuses to commence litigation upon receipt of the shareholder's written request stipulated under the preceding paragraph, or does not commence litigation within 30 days upon receipt of the request, or the situation is so urgent that it will cause irreparable losses to the Company if an immediate litigation is not commenced, the shareholders so stipulated under the previous paragraph are entitled to commence litigation directly at the court under their own names for the interests of the Company.

If any third party infringes the lawful rights of the Company and has caused a loss to the Company, the shareholders mentioned in the first paragraph of this Article may initiate proceedings in the people's court according to the provisions of the two preceding paragraphs.

Where the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, or if any third party infringes upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, the shareholders severally or jointly holding 1% or more of the Company's shares for a period of 180 consecutive days or longer, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, are entitled to request the supervisory committee or the board of directors of the wholly-owned subsidiary to initiate legal proceedings with the people's court in writing or directly initiate legal proceedings with the people's court in their own names.

Article 40 If a director or a member of senior management violates the laws, administrative regulations or these Articles of Association and causes damage to the shareholders' interests, shareholders can initiate legal proceedings at the people's court.

Article 41 Shareholders of the Company shall assume the following obligations:

- (I) to abide by laws, administrative regulations and the Articles of Association;
- (II) to pay for the shares subscribed for according to the shares they subscribe for and the capital participation method;
- (III) not to withdraw its share capital unless as prescribed by laws and regulations;
- (IV) not to abuse their shareholders' rights to infringe upon the interests of the Company or other shareholders; not to abuse the Company's independent legal person status and the limited liability of the shareholder to damage the interests of the Company's creditors;
- (V) other obligations to be assumed according to the laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 42 Any shareholder of the Company who abuses his/her rights and causes losses to the Company or other shareholders shall be liable for compensation in accordance with the law. Any shareholder of the Company who abuses the status of the Company as an independent legal person and the limited liability of the shareholder to evade debts and seriously damages the interests of creditors of the Company shall assume joint and several liability for the debts of the Company.

Article 43 Where a shareholder holding 5% or more voting shares of the Company pledges any shares in his/her possession, he/she shall make a written report to the Company on the day on which he/she pledges his/her shares.

Section II Controlling Shareholders and De Facto Controllers

Article 44 The Controlling Shareholders and de facto controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws or administrative regulations, and the rules of the CSRC and the stock exchange, safeguarding the interests of the listed company.

Article 45 The Controlling Shareholders and de facto controllers of the Company shall comply with the following provisions:

- (I) to exercise shareholders' rights in accordance with the law and not to abuse the right of control or take advantage of connected relationships to harm the legitimate interests of the Company or other shareholders;
- (II) strictly fulfilling the public statements and various undertakings made and shall not alter or waive them without authorization;
- (III) strictly fulfill the information disclosure obligations in accordance with the applicable regulations, actively and proactively cooperate with the Company in the information disclosure, and inform the Company in a timely manner of material events that have occurred or are expected to occur;
- (IV) not to occupy the Company's funds in any manner;
- (V) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (VI) not to make use of the Company's undisclosed material information to gain benefits, not to disclose in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;
- (VII) not to damage the lawful interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, foreign investment or any other means;
- (VIII) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organisation and business, and not to affect the independence of the Company in any way;

(IX) laws, administrative regulations, provisions of the CSRC, business rules of the stock exchange, and other provisions of the Articles of Association.

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

Where the Controlling Shareholders or de facto controllers of the Company instruct directors or senior management members to engage in acts that are detrimental to the interests of the Company or shareholders, such Controlling Shareholders or de facto controllers shall bear joint and several liability with such directors or senior management members.

Article 46 Where a Controlling Shareholder or de facto controller pledges the shares of the Company that he/she holds or actually controls, he/she shall maintain the stability of the Company's control and production operations.

Article 47 Where a controlling shareholder or de facto controller transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in the laws, administrative regulations, the provisions of the CSRC and the stock exchanges, as well as his/her undertakings in respect of the restriction on the transfer of shares.

Section III General Provisions of the General Meeting

Article 48 The general meeting of the Company shall be composed of all Shareholders. The general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with the laws:

- (I) to elect and replace Directors and to decide matters relating to the remuneration of relevant Directors;
- (II) to consider and approve reports of the board of directors;
- (III) to consider and approve profit distribution plans and loss recovery plans of the Company;
- (IV) to make resolutions on the increase or reduction of the Company's registered capital;
- (V) to make resolutions on the issuance of corporate bonds;

- (VI) to make resolutions on matters such as the merger, division, dissolution, liquidation or change in the organizational form of the Company;
- (VII) to amend these Articles of Association;
- (VIII) to make resolutions on the hiring or dismissal of the accounting firm that handles the Company's audit business, and on the remuneration of the accounting firm;
- (IX) to consider and approve the external guarantees as stipulated in Article 49 of these Articles of Association;
- (X) to consider the purchase or sale of major assets of the Company in excess of 30% of the Company's latest audited total assets within one year;
- (XI) to consider and approve the change in the use of the raised funds;
- (XII) to consider any share incentive scheme and employee stock ownership plan;
- (XIII) to consider other matters that are to be resolved by the general meeting as required by the laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed, or these Articles of Association.

The general meeting may authorize the board of directors to make a resolution on the issuance of corporate bonds. Save as otherwise stipulated in the laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the CSRC, the functions and powers of the general meeting mentioned above shall not be delegated to the board of directors or any other body or individual. However, the board of directors or a director may be authorized to act on or give effect to the relevant resolutions when the relevant resolutions are voted for upon at a general meeting.

Article 49 The following external guarantees of the Company shall be subject to the approval of the general meeting:

- (I) provision of any external guarantee by the Company and its controlling subsidiaries, the total amount of which exceeds 50% of the latest audited net assets of the Company;
- (II) any guarantee provided after the total amounts of the external guarantees provided by the Company exceed 30% of the latest audited total assets;

- (III) the amount of guarantee provided by the Company to other parties within one year exceeds 30% of the latest audited total assets of the Company;
- (IV) any guarantees provided to companies with an asset-liability ratio exceeding 70%;
- (V) a single guarantee with the amount exceeding 10% of the latest audited net assets;
- (VI) guarantees provided to shareholders, de facto controllers and their related parties;
- (VII) other guarantees that are to be resolved by the general meeting as required by the laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed, or these Articles of Association.

External guarantees to be approved at the general meeting above must be considered and approved by the board of directors before submission to the general meeting.

For matters of guarantee within the powers and extent of authority of the board of directors, in addition to passing a resolution by more than half of all directors, consent is also required from not less than two-thirds of the directors who attend the Board meeting. The guarantees in item (2) of the preceding paragraph shall be passed by votes representing more than two-thirds of the voting rights of shareholders represented at the relevant meeting.

When the general meeting considers a proposal to provide guarantees for shareholders, de facto controllers and their related parties, the shareholder or the shareholder controlled by the de facto controller shall not participate in the voting. The vote shall be passed by more than half of the voting rights held by other shareholders attending the general meeting.

Those who violate the abovementioned authority of review and approval on external guarantees and cause damages to the interests of the Company shall be liable for compensation according to laws.

Article 50 The general meetings are classified into annual general meetings and extraordinary general meetings. Annual general meeting shall be convened once every accounting year within 6 months after the end of the preceding accounting year.

Article 51 The Company shall convene an extraordinary general meeting within two (2) months from the date of the occurrence of any of the following circumstances:

- (I) when the number of directors is less than the number prescribed by the Company Law or less than two-thirds of the number required by these Articles of Association;
- (II) when the Company's uncovered losses amount to one-third of the total share capital;

- (III) when a request is made by shareholders who individually or collectively hold more than ten percent (10%) of the shares of the Company;
- (IV) when the board of directors deems it necessary;
- (V) when the Audit Committee proposes to convene it;
- (VI) other circumstances as stipulated by laws, administrative regulations, departmental rules, the stock exchange where the shares are listed or these Articles of Association.

Article 52 The Company shall hold the general meeting at the place of domicile of the Company, other office location or such venue as specified in the notice of the general meeting, which shall be specified in the notice of the general meeting by the convener.

A meeting venue shall be set up for the general meeting, which will be held on site. The Company will also provide online voting or other methods acknowledged or required by laws, administrative regulations, and regulatory rules of the place where the Company is listed to facilitate the shareholders attending the general meeting. The shareholders who attend the meeting by the aforesaid means are deemed to be present.

After the notice of a general meeting has been issued, the venue for holding the physical general meeting shall not be changed without a proper reason. If a change is necessary, the convener shall notify each shareholder at least two working days prior to the date when the physical meeting is to be held and explain the reasons.

Article 53 If the Company is explicitly required to engage a legal adviser to witness and issue legal opinions at the general meeting under the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, the Company will engage a legal adviser to issue legal opinions on the following matters and publish the same:

- (I) whether the convening and holding procedures of the meeting comply with the provisions of laws, administrative regulations, and the Articles of Association;
- (II) whether the eligibility of the attendees and the convener of the meeting are lawful and valid;
- (III) whether or not the procedure and results of voting are lawful and valid;
- (IV) legal opinions on other related matters at the request of the Company.

Section IV Convening of the General Meeting

Article 54 The board of directors shall convene the general meeting on time within the prescribed time limit.

With the approval of the majority of all independent non-executive Directors, the independent non-executive Directors have the right to propose the convening of an extraordinary general meeting. In response to a proposal by an independent non-executive Director to convene an extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, provide written feedback within ten (10) days after receiving the proposal to agree or disagree with the convening of the extraordinary general meeting. If the board of directors agrees to convene an extraordinary general meeting, it will issue a notice of the convening of the general meeting within five (5) days after the board resolution is made. If the board of directors does not agree to convene an extraordinary general meeting, it shall explain the reasons and make an announcement.

Article 55 The Audit Committee has the right to propose to the board of directors for convening an extraordinary general meeting and shall make such proposal in writing. The board of directors shall, in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, provide written feedback within 10 days after receiving the proposal to agree or disagree with the convening of the extraordinary general meeting.

If the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice of the convening of the general meeting within 5 days after the board resolution is made, and any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee.

If the Board disagrees to convene the extraordinary general meeting, or does not reply within 10 days upon receipt of the proposal, it shall be deemed as failing to discharge or not discharging its duties to convene the general meeting. The Audit Committee shall then be entitled to convene and hold the meeting by itself.

Article 56 Shareholders who individually or collectively hold more than 10% of the shares of the Company (excluding treasury shares) have the rights to propose to the board of directors for convening an extraordinary general meeting and shall make such proposal to the board of directors in writing. The board of directors shall, in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of an extraordinary general meeting within 10 days after receiving the request.

If the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice of the convening of general meeting within 5 days after the board resolution is made, and any changes to the original request in the notice shall be subject to the consent of the shareholders concerned.

If the board of directors disagrees with the convening of an extraordinary general meeting or does not provide feedback within 10 days after receiving the request, shareholders individually or collectively holding more than 10% of the shares of the Company (excluding treasury shares) have the right to propose to the Audit Committee for convening an extraordinary general meeting and shall submit the request in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of the convening of general meeting within 5 days after receiving the request, and any changes to the original request in the notice shall be subject to the consent of the shareholders concerned.

If the Audit Committee fails to issue a notice of the general meeting within the prescribed period, it shall be deemed not to convene and preside over the general meeting. Shareholders who individually or collectively hold more than 10% of the shares of the Company (excluding treasury shares) for more than 90 consecutive days may convene and preside over the meeting on their own.

Article 57 When the Audit Committee or the shareholders decide to convene a general meeting independently, they shall notify the Board of Directors in writing to such effect and put such on record with the securities regulatory institution where the shares of the Company are registered and the securities regulatory authorities in the place where the shares of the Company are listed in accordance with applicable regulations (if necessary).

The shareholding by the shareholders who convene the meeting shall be not less than 10% (excluding treasury shares) prior to the announcement of the resolution of the general meeting.

The Audit Committee or the convening Shareholders shall, when issuing the notice of the general meeting and the announcement of the resolutions of the general meeting, submit relevant supporting documents (if necessary) to the securities regulatory institution where the shares of the Company are registered and the securities regulatory authorities in the place where the shares of the Company are listed in accordance with applicable regulations.

Article 58 With respect to general meeting independently convened by the Audit Committee or the Shareholders, the Board of Directors and its secretary shall give their cooperation. The Board of Directors shall provide the register of shareholders on the equity registration date. The convener shall not use the register of shareholders for purposes other than convening a general meeting.

Article 59 Where the Audit Committee or Shareholders convene and hold a general meeting by themselves, the expenses necessarily accrued therefrom shall be borne by the Company.

Section V Proposals and Notices of the General Meeting

Article 60 The content of a proposal shall fall within the scope of the general meeting's authority, have a clear agenda and specific resolution matters, and comply with the relevant provisions of laws, administrative regulations, the Hong Kong Listing Rules, the securities regulatory rules in the place where the shares of the Company are listed, and the Articles of Association.

Article 61 When the Company convenes a general meeting, the Board of Directors, the Audit Committee, and the shareholders individually or jointly holding one percent (1%) or more of the Company's shares shall have the right to make a proposal to the Company.

Shareholder(s) individually or jointly holding 1% or more of the total number of the Company's shares shall have the right to submit interim proposals in writing to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of general meeting within two days after receipt of the proposal, to announce the contents of the temporary proposal and to submit the said temporary proposal to the general meeting for consideration. However, except for the provisional proposals that violate the requirements of the laws, administrative regulations or the Articles of Association, or those not within the terms of reference of the general meeting.

Except as provided in the preceding paragraph, the convener shall not change the proposals set out in the notice of the general meeting or add any new proposal after the said notice is served.

The general meeting shall not vote or resolve on proposals not contained in the notice of the general meeting or not in compliance with the Articles of Association.

Article 62 The convener shall notify all Shareholders of the time, venue and matters to be considered at the meeting by means of announcement 21 days prior to the annual general meeting, and shall notify all Shareholders of the time, venue and matters to be considered at the meeting by means of announcement 15 days prior to the extraordinary general meeting. Where laws and regulations or the securities regulatory authorities in the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 63 The notice of the general meeting includes the following:

- (I) the time, venue and duration of the meeting;
- (II) matters and proposals submitted to the meeting for consideration;
- (III) the equity registration date of the shareholders who are entitled to attend the general meeting;
- (IV) particulars shall be in clear text specifying that all shareholders are entitled to attend the general meeting and may appoint their proxies in writing to attend and vote at the meeting. Such proxies need not be shareholders of the Company;
- (V) name(s) and telephone number(s) of the standing contact person(s) for the affairs of meetings;
- (VI) voting time and procedures conducted via online or other means;
- (VII) other requirements stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules in the place where the shares of the Company are listed, the Articles of Association, etc.

The notice of a general meeting and supplementary notices shall fully and completely disclose all specifics of all proposals and all information or explanations necessary to enable shareholders to make a reasonable judgement on the matters to be discussed.

The interval between the equity registration date and the meeting date shall comply with the securities regulatory rules in the place where the shares of the Company are listed. Once the equity registration date is determined, it may not be changed; if it needs to be changed, the procedures stipulated in the securities regulatory rules in the place where the shares of the Company are listed must be complied with.

The notice and supplementary notice of the general meeting shall contain the content prescribed by the Hong Kong Listing Rules and the Articles of Association, and shall fully and completely disclose the full particulars of all proposals. Where the matters to be discussed require the opinions of the independent non-executive directors, such opinions and reasons shall be disclosed at the same time as issuing the notice or supplementary notice of the general meeting. If the Company needs to provide additional material information on matters proposed at the general meeting, it shall provide such information not less than ten (10) working days in advance. The Company shall postpone the general meeting to ensure it complies with the regulations if necessary.

Article 64 Where the general meeting is to consider the election of directors, the notice of the general meeting shall fully disclose detailed information of the director candidates, including at least the following:

- (I) personal information such as educational background, work experience, and concurrent positions;
- (II) whether or not there is any connected relationship with the Company or its controlling shareholder(s) and de facto controller(s);
- (III) the number of shares of the Company held;
- (IV) whether or not the candidate has been subject to penalties by the CSRC and other relevant authorities as well as sanctions by any stock exchange.

In addition to adopting the cumulative voting system to elect directors, a single proposal on each of the candidates for directors shall be submitted.

Article 65 After the notice of the general meeting is issued, the meeting shall not be postponed or canceled without valid reasons, and the proposals set out in such notice shall not be withdrawn. If it is necessary to postpone or cancel, the convener shall make an announcement at least 2 business days before the original date for convening the general meeting, and state the specific reasons for the postponement or cancellation; if the meeting is postponed, the postponed date shall be stated in the announcement.

If there are special provisions under the securities regulatory rules in the place where the shares of the Company are listed regarding the procedures for postponing or canceling general meeting, such provisions shall prevail provided that they do not violate laws, regulations, rules and relevant norms.

Section VI Holding of the General Meeting

Article 66 The board of directors and other conveners of the Company will take necessary actions to ensure the proper order of the general meeting. Measures shall be taken to stop any disruption of the general meeting or troublemaking as well as infringement of the legitimate rights and interests of shareholders, and the matter shall be promptly reported to the relevant authorities for investigation and handling.

Article 67 All Shareholders of the Company, or their proxies, whose names appeared on the register of members on the record date are entitled to attend the general meeting and shall have the right to speak and vote at the general meeting in accordance with relevant laws, regulations, the Hong Kong Listing Rules and the Articles of Association, except where individual Shareholders are required by the Hong Kong Listing Rules or other laws and regulations to abstain from voting on individual matters. Pursuant to the applicable laws and regulations and the listing rules of the stock exchange of the place where the Company's Shares are listed, where any Shareholder shall abstain from voting on any particular resolution or is restricted to vote only for or against such resolution, any vote cast by such Shareholder or proxy thereof in violation of such requirement or restriction shall not be counted in the voting results.

Shareholders may attend a general meeting in person, or may appoint a proxy to attend and vote on his/her behalf.

Article 68 Each shareholder shall have the right to appoint one or more proxies or representatives, who need not necessarily be shareholders of the Company, to attend and vote on their behalf; if the shareholder is a company, it may appoint one or more proxies or representatives to attend any general meeting of the Company and vote thereat, and if such company has appointed a representative to attend any meeting, it shall be deemed to be present in person. The proxy(ies) or representative(s) so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:

- (I) the right which the shareholder has to speak at the general meeting;
- (II) the right to demand a poll or join in such a demand;
- (III) to exercise the right to vote by a show of hands or by poll, but if more than one proxy or representative is appointed by the shareholder, they can only exercise voting rights by poll.

Article 69 If an individual shareholder attends the meeting in person, he/she should present his/her ID card or other valid documents or proofs that can identify him/her; in the case of attending by proxies, the proxies shall present valid identity documents and the proxy forms from the shareholders.

Where a shareholder is a legal entity, its legal representative or proxies authorized by the legal representative shall attend the meeting. Legal representatives attending the meeting shall present their personal identity cards and valid documents that can prove their identities as legal representatives. Proxies authorized to attend the meeting shall present their personal identity cards and the proxy forms in writing provided by the legal representative of the legal entity shareholder in accordance with the law.

The shareholders of an unincorporated organization shall be represented at the meeting by the person in charge, the managing partner (/appointed representative), or a proxy appointed by the person in charge or the managing partner (/appointed representative). If the person in charge or the managing partner (/appointed representative) attends the meeting, he/she shall present his/her identity card and valid proof of his/her qualification as the person in charge or the managing partner. If a proxy attends the meeting, the proxy shall present his/her identity card and the written authorization letter issued by the person in charge of the unincorporated organization shareholder unit or the managing partner (/appointed representative) in accordance with the law.

If the shareholder is an approved clearing house or its nominee(s) as defined in the relevant laws and regulations of Hong Kong, the shareholder may authorize one or more persons as deemed appropriate to act as its proxy or representative at any general meeting. However, if more than two persons are authorized, the power of attorney or the authorization letter shall specify the number and class of shares in respect of which each such person is so authorized. Such authorised proxies are entitled to attend meetings and exercise the rights on behalf of the recognised clearing house (or its proxies) (without presentation of evidence of their shareholding, notarized authorisation and/or further proof demonstrating the duly granting of the same), as if they were the individual shareholders of the Company.

Article 70 The power of attorney issued by a shareholder to entrust others to attend the general meeting shall specify the following contents:

- (I) the name of the proxy;
- (II) the name of the principal, the class and number of shares held by the principal;
- (III) specific instructions from shareholders, including instructions to vote in favor of, against, or abstain on each item of business on the agenda of the general meeting;
- (IV) date of issuance of the proxy form and its validity period;
- (V) signature (or seal) of the principal. If the principal is a corporate/non-corporate entity shareholder, the corporate/non-corporate entity seal shall be affixed.

Article 71 The proxy form should indicate if the proxy may vote at his/her discretion if no instructions have been given by the shareholder.

Article 72 The power of attorney for voting by proxy shall be kept at the domicile of the Company or at such other places as specified in the notice of convening the meeting at least 24 hours prior to the convening of the meeting at which the proxy is authorized to vote or 24 hours prior to the designated time of voting. 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.

Article 73 The attendance register of persons attending the meeting shall be prepared by the Company. The attendance register shall state the names (or names of the corporations), identity card numbers, the number of voting shares held or represented, name of the principal (or names of the corporations) and other related matters.

Article 74 The convener and the lawyer (if any) engaged by the Company shall collectively verify the legality of shareholders' qualifications based on the register of members provided by the securities depository and clearing corporation, and register the names of the shareholders (or their names) and the number of shares with voting rights held by them. The registration for the meeting shall be completed before the chairperson of the meeting announces the number of shareholders and proxies attending the physical meeting and the total number of shares with voting rights that they represent.

Article 75 Where directors and senior management are required to be present at the general meeting, such directors and senior management shall be present and answer the queries from shareholders. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, the aforementioned persons may attend the meeting or be present at the meeting through the internet, video, telephone or other means with equivalent effect.

Article 76 The general meeting shall be presided over by the chairman of the board of directors. If the chairman of the board of directors is unable or fails to perform such duty, the meeting shall be presided over by a director jointly elected by more than half of the directors.

If the general meeting is convened by the Audit Committee, the convener of the Audit Committee shall preside over the meeting. When the convener of the Audit Committee is unable or fails to perform his/her duty, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside.

A general meeting convened by shareholders on their own shall be chaired by the convener or a representative elected by the convener.

During the general meeting, if the chairperson of the meeting violates laws and regulations, these Articles of Association, or the rules of procedure, which makes it impossible for the general meeting to continue, a person may be elected at the general meeting to act as chairperson and continue the meeting, subject to the approval of more than half of the attending shareholders having the voting rights.

Article 77 The Company shall formulate the rules of procedures for general meeting specifying the summoning, convening and voting procedures of general meeting, including notice, registration, deliberation of and voting on proposals, votes counting, announcement of voting results, drafting of meeting resolutions, meeting minutes and their signature, announcements and other content, as well as the principle of delegation of powers to the Board by the general meeting, and the content of delegation shall be clear and specific.

Article 78 In the annual general meeting, the board of directors shall report their work in the past year to the general meeting. Each independent non-executive director shall also present a work report.

Article 79 Directors and senior management shall explain and answer the enquiries and suggestions from shareholders at the general meeting.

Article 80 Prior to voting, the chairperson of the meeting shall announce the number of shareholders and proxies present and the total number of voting shares held by them. The number of shareholders and proxies present and the total number of voting shares held by them shall be that as stated in the registration of the meeting.

Article 81 General meetings shall have minutes, which shall be maintained by the secretary to the board of directors. The minutes shall contain the following:

- (I) the date, place and agenda of the meeting, and the name of the convener;
- (II) names of the chairperson of the meeting and directors and senior management members attending the meeting as non-voting participants;
- (III) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them, and its proportion in the total number of shares of the Company;
- (IV) the proceeding of examination, summary of the points discussed and results of voting of each proposal;
- (V) shareholders' inquiries, opinions or suggestions and corresponding answers or explanations, if any;

(VI) names of lawyer, if any, vote counters and scrutinizer;

(VII) such other matters as shall be recorded in the minutes of meetings pursuant to these Articles of Association.

Article 82 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors attending or participating in the meeting, the secretary of the board of directors, the convener or their representative, and the chairperson of the meeting shall sign the meeting minutes. 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 10 years.

Article 83 The convener shall ensure that the general meeting is held continuously until a final resolution is reached. Where the general meeting is suspended or a decision cannot be made due to force majeure or other special reasons, necessary procedures shall be taken as soon as possible to resume the meeting or to directly terminate that meeting with a public timely announcement.

Section VII Voting and Resolutions at General Meetings

Article 84 The resolutions of the general meeting are classified into ordinary resolutions and special resolutions.

Ordinary resolutions of the general meeting shall be adopted by more than half of the voting rights held by the shareholders (including shareholders' proxies) present at the general meeting (excluding treasury shares).

Special resolutions of the general meeting shall be adopted by more than two-thirds (2/3) of the voting rights held by the shareholders (including shareholders' proxies) present at the general meeting (excluding treasury shares).

Article 85 The following matters shall be passed by ordinary resolutions of the general meeting:

- (I) work reports of the board of directors;
- (II) proposals formulated by the board of directors for distribution of profits and for losses recovery;
- (III) appointment and removal of members of the board of directors, their remuneration and the method of payment thereof;

- (IV) other matters other than those required to be adopted by special resolutions under laws, administrative regulations, the Hong Kong Listing Rules, other provisions of the relevant regulatory authorities where the Company's shares are listed, or the provisions of these Articles of Association.

Article 86 The following matters shall be passed by special resolutions of the general meeting:

- (I) the increase or reduction of the registered capital of the Company;
- (II) the division, spin-off, merger, dissolution, liquidation (including voluntary liquidation) of the Company, or the change of corporate form;
- (III) the amendment to the Articles of Association;
- (IV) the amount of purchase or sale of major assets or the guarantee provided by the Company to other parties within one year exceeds 30% of the latest audited total assets of the Company;
- (V) share incentive scheme and employee stock ownership plan;
- (VI) other matters stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, regulatory rules of the place where the Company's shares are listed or the Articles of Association, as well as other matters that the general meeting determines by ordinary resolutions that may have a significant impact on the Company and need to be adopted by special resolutions.

If at any time the share capital of the Company is divided into different classes of shares, the Company intends to change or abolish the rights of any class shareholders which shall be approved by way of special resolution of shareholders of the affected class at a separately convened general meeting.

Article 87 Shareholders (including shareholders' proxies) may exercise voting rights in the amount of the voting shares they represent, and each share shall have one vote. A shareholder (including shareholder's proxies) who has two or more votes shall not have to vote for, against or abstain from all voting rights in a poll.

When the general meeting deliberates on major matters affecting the interests of minority investors, the votes of minority investors shall be counted separately. The results of such separate vote counting shall be disclosed promptly in accordance with laws, administrative regulations, and the regulatory rules of the place where the Company's shares are listed.

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

If a shareholder violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law by purchasing shares of the Company with voting rights, the shares exceeding the prescribed proportion shall not exercise voting rights within thirty-six months after purchase and shall not be included in the total number of shares with voting rights present at the general meeting.

The board of directors, independent non-executive directors, shareholders holding 1% or more of the voting shares, or the investor protection bodies established in accordance with the laws, administrative regulations, or the requirements of securities regulatory authorities of the place where the Company's shares are listed may publicly solicit voting rights from shareholders. The solicitation of shareholders' voting rights shall provide full disclosure of information such as specific voting intentions to the solicited person and the solicitation of shareholders' voting rights by way of remuneration or disguised remuneration is prohibited. Unless under legal terms, the Company shall not propose any minimum shareholding restriction on the solicitation of voting rights.

Article 88 When a connected transaction (as defined in the Hong Kong Listing Rules) is considered at the general meeting, the connected shareholders (as defined in the Hong Kong Listing Rules) shall not participate in voting, and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes; the announcement of the resolution of the general meeting shall fully disclose the voting situations of other shareholders, unless otherwise provided by laws and regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed.

Before the general meeting considers matters relating to connected transactions, the Company shall determine the scope of connected shareholders in accordance with relevant laws, regulations, normative documents, the Hong Kong Listing Rules and the regulatory requirements of the securities regulatory authority of the place where the Company's shares are listed. Connected shareholders or their authorized representatives may attend the general meeting and may express their views to the shareholders present in accordance with the procedures of the general meeting, but shall recuse themselves from voting by ballot.

When the general meeting considers matters relating to a connected transaction, the connected shareholders and their close associates shall voluntarily recuse themselves from voting. Where the connected shareholder does not voluntarily abstain from voting, the other shareholders present at the meeting shall have the right to request him/her to abstain from voting. Upon abstention of the connected persons and their close associates, other shareholders shall vote as per their voting rights and adopt corresponding resolutions in accordance with the Articles of Association; the chairperson of the meeting shall declare the number of attending shareholders and proxies (other than connected persons and their close associates) as well as the total number of their voting shares.

The resolution of the general meeting on matters related to connected transactions must be passed by a majority of the votes held by non-connected shareholders present at the meeting to be valid. However, if the connected transaction involves matters that need to be passed by a special resolution according to these Articles of Association, the resolution of the general meeting must be passed by more than two-thirds of the voting rights held by non-connected persons present at the meeting to be valid.

If the connected persons or their close associates violate this provision by participating in the voting, their vote on matters related to the connected transaction shall be invalid.

Article 89 Except in special circumstances such as the Company being in crisis, the Company shall not enter into contracts with persons other than directors or senior management members to entrust the management of all or significant business operations to such persons, unless approved by a special resolution of the general meeting.

Article 90 The list of candidates for directors shall be submitted to the general meeting in the form of a proposal for voting. The nomination methods and procedures for director candidates are as follows:

- (I) Any shareholders holding 3% or above of the shares individually or in aggregate, or the board of directors, may nominate director candidates;
- (II) When shareholders nominate directors (including independent non-executive directors), the nomination proposal, detailed information of the nominated candidates, and the candidates' declarations and undertakings shall be submitted to the board of directors before the general meeting is held. The final candidates for directors (including independent non-executive directors) shall be determined by the board of directors, which is responsible for examining the qualifications of the candidates. The general meeting shall not elect a candidate who has not been qualified as a director.

In the election of more than two independent non-executive directors at the general meeting or when a single shareholder and its persons acting in concert are interested in 30% or more shares of the Company, the cumulative voting system shall apply.

The cumulative voting system referred to in the preceding paragraph means that when electing directors at the general meeting, each share shall have voting rights equal to the number of directors to be elected, and shareholders may concentrate their voting rights. The board of directors shall announce to shareholders the biographical details and general information on the candidates for directors.

Details of the implementation of the cumulative voting system are set out below:

- (I) Where the cumulative voting system is implemented, before voting at the general meeting on the candidates of directors, the chairperson of the meeting shall clearly inform attending shareholders about how the cumulative voting in the election of the candidates of directors is implemented, make explanations and interpretations of the details, voting rules and methods of completing the ballots of the cumulative voting system, and inform the voting right of each share in the election of this director. The staff of the general meeting shall prepare ballots applicable for the implementation of the cumulative voting.
- (II) In the election of Directors, each Shareholder present at the meeting is entitled to such number of votes as equal to the total number of shares held by it multiplied by the number of Directors to be elected at the general meeting, and such votes can only be used for the candidates of Directors of the general meeting. The voting shareholder must indicate the number of shares of the Company he or she holds on one ballot and mark the number of voting rights they use after each director they elect.
- (III) Whether a director candidate will be elected as a director shall be recognized by the number of their received votes, but the number of the votes received by each elected director must exceed half (1/2) of the total number of shares held by the shareholders present at the general meeting.
- (IV) Upon the completion of the voting by the attending shareholders, vote counters at the general meeting shall count and publish the total votes received by each director candidate, and the election results of the directors will be determined in the manner described above. The chairperson of the meeting shall announce the list of the elected directors on the spot.

Article 91 Save for the cumulative voting system, all proposals will be voted separately at the general meeting. In the event that there are different proposals on the same matter, they will be voted on in the order in which the proposals were submitted. Shareholders shall not vote in favor of different proposals on the same matter at the same time at the general meeting. Unless the general meeting is adjourned or no resolution can be made due to special reasons such as force majeure, the general meeting will not set aside or refrain from voting on the proposals.

Article 92 The proposal would not be amended when it is considered at the general meeting, otherwise the relevant modification shall be considered as a new proposal, which cannot be put to vote on at the current general meeting.

Article 93 The voting at the general meeting shall be taken by way of registered poll. The same voting right can only be voted either on site, online, or by any other means at a general meeting. In case of repeated voting for the same voting right, the first voting result shall prevail.

Article 94 Before voting on a proposal at the general meeting, two shareholders' representatives shall be elected to participate in counting votes and supervising the vote count. Any shareholder who is interested in the matter under consideration and his/her/its proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.

When a proposal is voted on at the general meeting, lawyer, if any, and shareholders' representatives shall be jointly responsible for counting vote and supervising the votes count and announce the voting results on the spot, which 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 95 The shareholders attending the general meeting shall deliver any of the following opinions on any proposal put forward for voting: affirmative, negative or abstention, except for the declaration by securities registration and clearing institution as the nominal holder of stock connect mechanism between the PRC and Hong Kong stock markets, or a recognized clearing house or its agent as the nominal holder as defined in the relevant ordinances from time to time in force under the laws of Hong Kong based on the actual holders' intentions.

Blank, wrong, illegible or uncast votes shall be deemed as the voters' waiver of their voting rights, and the voting results representing the shares held by them shall be counted as "abstain".

Article 96 If the chairperson of the meeting has any doubt as to the voting results of a resolution, he/she may conduct a count of the votes cast. If the chairperson of the meeting fails to conduct a count of votes, any shareholder, whether present in person or by proxy, who objects to the results declared by the chairperson of the meeting may immediately after the declaration of results demand a count of votes, and the chairperson of the meeting shall conduct a count of votes immediately.

Article 97 The on-site general meeting shall not end earlier than the voting conducted via internet or other methods. The chairperson of the meeting shall announce the voting situation and result of each proposal, and declare whether the proposal has been passed according to the voting results. The voting results of such resolution shall be recorded in the minutes of the meeting.

Prior to the formal announcement of voting results, all relevant parties involved in the general meeting venue and other voting methods, including the Company, vote counters, scrutinizer, Shareholders, and network service provider, shall all be obligated to maintain confidentiality regarding the voting.

Article 98 Resolutions of the general meeting shall be announced promptly in accordance with laws, administrative regulations, and the regulatory rules of the place where the Company's shares are listed. Such announcement shall specify the number of shareholders and proxy(ies) attending at the meeting, the total number of voting shares held or represented by them, the percentage of such voting shares in relation to all the voting shares of the Company, the voting method, the voting result of each proposal, and details of each resolution that is passed at the meeting.

Article 99 Where a proposal is not passed, or a resolution made at a previous general meeting is modified at the general meeting, a special note shall be included in the resolution of the general meeting.

Article 100 Where a proposal on election of directors is passed at the general meeting, the term of office of a new director shall commence at the time specified in the resolution of the general meeting; if the resolutions of the general meeting do not specify the time to take office, it shall be the time when the resolutions of the general meeting is made.

Article 101 Where a general meeting adopts a proposal to pay cash dividends, gift shares or convert capital reserve funds into share capital, the Company shall implement the specific plan within two months of the closing of the general meeting.

CHAPTER 5 DIRECTORS AND THE BOARD OF DIRECTORS

Section I Directors

Article 102 Directors of the Company shall be natural persons. A person shall be disqualified from being a director of the Company in each of the following circumstances:

- (I) a person who suffers from any incapacity or restricted capacity to undertake civil liabilities;
- (II) a person who has been sentenced for crimes such as corruption, bribery, misappropriation of property, or undermining the order of the socialist market economy, or has been deprived of political rights due to criminal offenses, and the period of execution has not exceeded five years, or has been granted probation, and the probationary period has not exceeded two years from the date of its expiration;

- (III) a person who is a former director, factory manager or manager of a company or enterprise which has undergone insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;
- (IV) a person who was the legal representative of a company or enterprise that has had its business license revoked or was ordered to close due to illegal activities bearing personal responsibility, and it has not been more than 3 years since such company or enterprise had its business license revoked or was ordered to close;
- (V) a person who has been listed by the People's Court as a discredited judgment debtor for failing to repay a substantial amount of personal debt that has become due;
- (VI) a person who is penalized by CSRC to be prohibited from participating in the securities markets for a period that has not yet expired;
- (VII) those who have been publicly determined by a stock exchange to be unfit to serve as directors or senior officers of a listed company, where the period of such determination has not elapsed;
- (VIII) other circumstances as stipulated by laws, administrative regulations, departmental rules, the CSRC and the stock exchange where the shares are listed.

In case the election or appointment of any director is in violation of the provisions in this Article, the said election, appointment or engagement shall be invalid. Where any of the circumstances described herein applies to any director during his/her term of office, the Company shall remove him/her from such office and suspend him/her from performing his/her duties.

Article 103 Directors shall be elected or replaced at the general meeting and may be removed from their positions by the general meeting before the expiration of their term. The term of office of the directors is three years and they are eligible for re-election, unless otherwise stipulated by the relevant laws, regulations, the Articles of Association and the relevant regulatory rules of the stock exchange where the Company's shares are listed.

The term of office of a director shall commence from the date of appointment until the expiry of the current session of the board of directors. If the term of office of a director expires but re-election is not made, the existing director shall continue to perform his/her duties in accordance with the laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the provisions of the Articles of Association until a new director is elected and takes office.

The senior management members may concurrently serve as Directors, provided that the total number of Directors who concurrently serve as senior management members and Directors who are employee representatives shall not exceed half (1/2) of the total number of Directors of the Company.

Any new director appointed by the board of directors to fill a casual vacancy or as an additional director shall hold office until the first general meeting of the Company following his/her appointment. Such director is eligible for, and may offer himself/herself for re-election by shareholders at the first general meeting after his/her appointment.

Article 104 Directors shall comply with laws, administrative regulations, and the Articles of Association, owe the fiduciary duties to the Company, take measures to avoid conflict of interest between their own interests and those of the Company, and shall not use their authority to seek improper benefits.

Directors owe the following fiduciary duties to the Company:

- (I) not to use their authority to offer or accept bribes, or to obtain any other unlawful gains;
- (II) not to embezzle or misappropriate the property or funds of the Company;
- (III) not to open accounts in their own names or names of other individuals for the deposit of the assets or capital of the Company;
- (IV) not to conclude any contract or enter into any transaction with the Company directly or indirectly, without reporting to the board of directors or the general meeting, and without being approved by a resolution of the board of directors or the general meeting in accordance with the provisions of the Articles of Association;
- (V) not to take advantage of their positions to seek for any business opportunities belonging to the Company for themselves or others, unless such business opportunities have been reported to the Board or the general meeting and approved by the general meeting by resolution, or the Company is prohibited from utilizing such business opportunities pursuant to provisions of the laws, administrative regulations or these Articles of Association;
- (VI) not to operate business similar to that of the Company on its own or for others without reporting to the board of directors or the general meeting and approved by a resolution of the general meeting;
- (VII) not to accept commissions for transactions between others and the Company for their own benefit;

- (VIII) not to disclose the Company's confidential information without permission;
- (IX) not to use their connected relationship to the detriment of the interests of the Company;
- (X) other fiduciary duties stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Income generated by a director from violation of the provisions of this Article shall belong to the Company; if the Company suffers losses as a result of such violation, the director shall be liable for compensation.

The provisions of item (4) of paragraph 2 of this Article shall apply to the close relatives of directors and senior management, enterprises directly or indirectly controlled by directors or senior management or their close relatives, and any other connected persons having connected relationships with directors or senior management, who enter into contracts or conduct transactions with the Company.

Article 105 The directors shall comply with the laws, administrative regulations and the Articles of Association and shall diligently perform their obligations to the Company. In performing their obligations, they shall exercise the reasonable care that a manager should typically have for the Company's best interests.

The directors shall diligently perform their following obligations to the Company:

- (I) to exercise the rights conferred by the Company in a prudent, careful and diligent way so as to ensure that the business activities of the Company are in compliance with the PRC laws, administrative regulations and various economic policies of the PRC, and that the business activities do not exceed the business scope specified in the business license of the Company;
- (II) to treat all shareholders equally;
- (III) to maintain a timely awareness of the operation and management of the Company;
- (IV) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;
- (V) to provide relevant information and materials to the Audit Committee honestly, and not to hinder the Audit Committee from exercising its functions and power;

- (VI) other due diligence duties stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 106 Directors who fail to attend two consecutive board meetings either in person or entrust other directors to do so are deemed incapable of performing their duties, and the board shall make a proposal to the general meeting to remove such directors. Subject to the securities regulatory rules of the place where the Company's shares are listed, any director attending the board meeting via internet, video, telephone or any other equivalent means, shall also be deemed to be present in person thereat.

Article 107 A director may tender his/her resignation before the expiration of his/her term. The resigning director shall tender a resignation letter to the Company in writing. The resignation takes effect on the date of receipt of the resignation letter by the Company, and the relevant information shall be disclosed by the Company within 2 business days. If the number of directors falls below the minimum quorum due to a director's resignation, or if the number of independent non-executive directors falls below one-third of the total number of board members due to the resignation of an independent non-executive director, or there is no accounting professional among the independent non-executive directors, the existing directors shall still perform their duties as directors in accordance with the laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association until a duly re-elected director takes office.

Article 108 Subject to the relevant laws, regulations and the listing rules of the place where the Company's shares are listed, shareholders have the right to remove any director (including managing directors and other executive directors) before the expiry of his/her term of office by passing an ordinary resolution at a general meeting, with the dismissal taking effect on the date the resolution is made. Such removal does not prejudice the Director's claim for compensation pursuant to any contract. If there are no justifiable reasons for such removal, the Director may claim for compensations from the Company.

Article 109 The Company has established a management system for director resignations, and specifies safeguard measures for accountability and recovery in respect of unfulfilled public undertakings and other outstanding matters. If the resignation of a director takes effect or if his/her term of office expires, he/she shall complete all handover procedures with the Board. His/her obligations of honesty to the Company and shareholders thereof shall remain effective within twelve months upon the end of his/her term of office, but his/her confidentiality obligation in respect of trade secrets of the Company shall remain effective until such secrets become public information, and shall not be limited to twelve months. The responsibility that a director bears during his/her term of office due to the performance of his/her duties shall not be waived or terminated due to his/her departure.

Article 110 Except as required by the Articles of Association or lawfully authorized by the board of directors, no director shall act on behalf of the Company or the board of directors in his/her own name. Where a director is acting in his personal capacity, he shall declare his position and identity in advance if a third party would reasonably believe that he is acting on behalf of the Company or the board of directors.

Article 111 Where a director causes damage to others during the performance of his/her duties, the Company shall be liable for compensation; where a director acts with willful or material default, he/she shall also be liable for compensation.

The director shall be liable for compensation to the Company for losses caused if he/she violates the laws, administrative regulations, departmental rules or the Articles of Association when performing the duties.

Article 112 The functions of non-executive directors should include:

- (I) participating in board meetings to bring an independent judgement to bear on issues regarding strategy, policy, the Company's performance, accountability, resources, key appointments and standards of conduct;
- (II) providing guidance when there are potential conflicts of interests;
- (III) serving on the audit committee, remuneration committee, nomination committee and any other special committees under the board of directors, if invited;
- (IV) scrutinising the Company's performance in achieving defined corporate goals and objectives, and monitoring the reporting of such performance.

Article 113 The Company shall appoint independent non-executive directors and establish an independent non-executive director system. The rights and obligations, duties and performance procedures of the independent non-executive directors shall be specified in the corresponding systems formulated by the Company. The qualifications, appointment and removal of independent non-executive directors, their duties and mode of performance, performance guarantee and filing procedures shall be implemented in accordance with relevant requirements of the laws, administrative regulations, the CSRC, the stock exchange where the shares are listed, and the Articles of Association.

Section II Board of Directors

Article 114 The Company shall have a board of directors which shall be accountable to the general meeting.

Article 115 The board of directors is composed of eight Directors, and the members of the board of directors are elected by the general meeting in accordance with the laws. The Directors are categorized as executive Directors, non-executive Directors, and independent non-executive Directors. There shall be not less than three independent non-executive Directors, which shall constitute at least one third of the total number of Directors, at least one independent non-executive Director shall have appropriate professional qualifications or appropriate accounting or related financial management expertise, and at least one independent non-executive Director shall ordinarily reside in Hong Kong.

Article 116 The board of directors exercises the following functions and powers:

- (I) to convene general meetings and report on its work to the general meeting;
- (II) to implement the resolution(s) of general meetings;
- (III) to determine the operation plans and investment plans of the Company;
- (IV) to formulate the profit distribution plans and loss recovery plans of the Company;
- (V) to formulate plans regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;
- (VI) to formulate plans for material acquisitions, purchase of shares of the Company or merger, division, dissolution and change of the corporate form of the Company;
- (VII) to decide, within the scope of authorization of the general meeting, on matters such as external investments, acquisition or sale of assets, pledging of assets, external guarantee matters, entrusted wealth management, connected transactions and external donations of the Company;
- (VIII) to determine the establishment of the Company's internal management bodies;
- (IX) to decide on the appointment or dismissal of the Company's manager, secretary to the board of directors and other senior management, and decide on their remuneration, rewards and punishments; to decide on the appointment or dismissal of the Company's deputy manager, chief financial officer and other senior management based on the nomination of the manager, and decide on their remuneration, rewards and punishments;
- (X) to formulate the fundamental management system of the Company;
- (XI) to formulate the proposal for amendment of these Articles of Association;

- (XII) to propose to the general meeting to engage or replace the accounting firm that provides auditing services to the Company;
- (XIII) to listen to the work report of the manager of the Company and inspect his/her work;
- (XIV) to manage the information disclosure of the Company;
- (XV) other functions and powers conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the general meeting.

Article 117 The board of directors of the Company shall make a statement to the general meeting regarding the non-standard audit opinion issued by the certified public accountant on the Company's financial report.

Article 118 The board of directors shall have one chairman. The chairman of the board of directors shall be elected by more than half of all the directors.

Article 119 The chairman exercises the following functions and powers:

- (I) to preside over the general meetings and convene and preside over the meetings of the board of directors;
- (II) to supervise and inspect the implementation of the resolutions of the board of directors;
- (III) to sign the share certificates, corporate bonds and other marketable securities issued by the Company;
- (IV) to sign the important documents of the board of directors;
- (V) in the event of an emergency of force majeure such as catastrophic natural disaster, to exercise special discretion on the affairs of the Company in accordance with provisions of laws and the interests of the Company and to report to the board of directors of the Company and the general meeting afterwards;
- (VI) other functions and powers conferred by the board of directors or laws, administrative regulations and regulatory rules of the place where the Company's shares are listed.

The authorization to the chairman of the board of directors by the board of directors shall be granted clearly in the way of a resolution of the board of directors, which shall state the particulars of authorization matters, content and authority clearly. Matters involving the Company's material interests shall be decided collectively by the board of directors and shall not be delegated to the chairman of the board of directors or individual Directors for independent decision-making.

Article 120 If the chairman is unable or unwilling to perform his/her duties, a Director shall be jointly elected by more than half of the Directors to perform the duties.

Article 121 The board of directors conducts its business by convening board meetings. Board meetings are divided into regular meetings and extraordinary meetings. Regular board meetings shall be held at least twice a year, convened by the chairman, with written notice given to all directors at least 14 days prior to the meeting.

Article 122 Extraordinary board meetings may be proposed to be convened by shareholders with voting rights representing more than one-tenth, more than one-third of the directors, the audit committee, or more than half of the independent non-executive directors. The chairman shall convene and preside over the board meeting within 10 days upon receipt of the proposal. The chairman may also convene an extraordinary meeting of the board of directors as deemed necessary.

Article 123 The notice of the extraordinary board meeting in written form shall be delivered to all directors by hand, fax, email, WeChat, text message, with such notice to be provided at least three (3) days prior to the meeting date.

Article 124 The notice of meetings of board of directors shall include the following particulars:

- (I) date and venue of the meeting;
- (II) duration of the meeting;
- (III) reasons and agenda;
- (IV) date of issue of the notice.

Article 125 A meeting of the board of directors shall be held only with the presence of more than half of the Directors. A resolution proposed by the board of directors must be passed by more than half of all the Directors.

Resolutions of the board of directors shall be voted on a one-person-one-vote basis.

Article 126 If any director has connection with the enterprise or the individual involved in the resolution made at a board meeting, the director shall promptly report in writing to the board of directors. Any related directors shall abstain from voting and shall not act as proxy for other directors to exercise their voting rights. The meeting of the board of directors may be held when more than half of the non-connected directors attend the meeting. The resolution of the meeting of the board of directors shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meeting of the board of directors is less than three, the transaction shall be submitted to the general meeting for consideration. Furthermore, save for the exceptions permitted by the Hong Kong Listing Rules or the Stock Exchange, a director is not entitled to vote on any resolutions of the board of directors in respect of any contract or arrangement or any other proposals in which he/she or any of his/her close associates (as defined in the Hong Kong Listing Rules) has any material interests, nor shall he/she act so on behalf of other director(s).

Connected directors referred to in the preceding paragraph also include the following directors or the directors who are in one of the following situations:

- (I) a counterparty to the transaction;
- (II) a person who has direct or indirect control over the counterparty to the transaction;
- (III) holding a post in the counterparty, or in the legal person unit either exercising direct or indirect control over the counterparty or under direct or indirect control by the counterparty;
- (IV) a close family member of the counterparty or a party that directly or indirectly controls the counterparty;
- (V) being a close family member of a director, supervisor or senior management member of the counterparty of the transaction or a direct or indirect controlling party of such counterparty;
- (VI) directors whose independent business judgment may be affected due to other reasons as identified by the Company.

Article 127 Resolutions of the board of directors shall be voted on by disclosed ballot.

Resolutions of extraordinary meetings of the board of directors may be made by means of communication signed by present Directors on the basis of ensuring each Director fully expressing his/her opinions.

Article 128 The board of directors shall formulate rules of procedure for the board to ensure that it implements the resolutions of the general meetings, enhances work efficiency, guarantees scientific decision-making, clarifies the responsibilities of the board, and specifies the procedures for convening, holding, and voting at board meetings, thereby standardizing the operational mechanism of the board, subject to approval by the general meeting.

Article 129 The board of directors shall lay down strict procedures to inspect and decide on the approval limit for external investments, acquisition or sale of assets, pledge of assets, external guarantees, entrusted wealth management, connected transactions and external donations. For material investment projects, the relevant experts and professionals shall be organised to carry out evaluation and examination, and such projects shall be reported to the general meeting for approval.

Article 130 Directors shall attend board meetings in person. A Director who is unable to attend may entrust any other Director in writing to attend on his/her behalf. The instrument of proxy shall specify the name of the proxy, matters authorized, scope of authority and validity term, and be signed or stamped by the principal. A Director attending the meeting as a proxy shall exercise the rights of a director within the scope of authority delegated. If a director does not attend a board meeting in person and does not appoint a proxy to attend the meeting, he/she shall be deemed to have waived the voting rights at the meeting.

Article 131 The Board shall make minutes of its decisions on matters discussed at the meeting, which shall be true, accurate and complete. Directors, the secretary to the board of directors, and the minute-taker who attend the meeting shall sign the minutes.

As the Company's files, the board meeting minutes shall be kept for a period of no less than ten years.

Article 132 The minutes of board meetings shall include the following:

- (I) date and venue of the meeting and the name of the convener;
- (II) names of directors present at the meeting and directors (proxies) present at such meeting on behalf of other directors;
- (III) agenda of the meeting;
- (IV) summary of points raised by directors; and
- (V) the voting method of each resolution and the result (the result shall specify the number of votes for, against and abstaining).

Section III Independent Non-executive Directors

Article 133 Independent non-executive directors shall conscientiously perform their responsibilities in accordance with laws, administrative regulations, the CSRC, stock exchanges and these Articles of Association. They shall participate in decision-making, supervise and exercise checks and balances, and provide professional advice within the board of directors to safeguard the overall interests of the Company and to protect the legitimate rights and interests of minority shareholders.

Article 134 Independent non-executive directors must remain independent. The following persons shall not serve as independent non-executive directors:

- (I) the staff employed by the Company or its subsidiary enterprises, and their spouses, parents, children or primary social relationships;
- (II) persons who directly or indirectly hold more than 1% of the issued shares of the Company, or the natural person shareholders in the top ten shareholders of the Company, and such shareholders' spouses, parents, and children;
- (III) persons directly or indirectly holding more than five percent of the Company's issued Shares, or persons employed by the Company's top five shareholders, along with their spouses, parents, and children;
- (IV) persons employed by subsidiaries of the Company's controlling shareholders or de facto controllers, along with their spouses, parents, and children;
- (V) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in entities with which they have significant business dealings and their controlling shareholders or de facto controllers;
- (VI) persons providing financial, legal, consulting, sponsorship, or other services to the Company, its controlling shareholders, de facto controllers, or their respective subsidiaries, including but not limited to all members of the project team, all levels of review personnel, signatories on reports, partners, directors, senior management members, and principal person-in-charge of intermediary institutions providing such services;
- (VII) persons who fall within the circumstances set out in items (I) to (VI) in the last twelve months;

(VIII) other persons who do not possess independence as stipulated by laws, administrative regulations, regulations of the CSRC, the regulatory rules of the stock exchange on which the Company's shares are listed, and the Articles of Association.

The independent non-executive directors shall conduct self-inspection on the independence every year and submit the self-inspection results to the board of directors. The board of directors shall assess the independence of incumbent independent non-executive directors and issue special opinions thereon each year.

Independent non-executive directors must simultaneously satisfy other requirements on independence stipulated in the Hong Kong Listing Rules and securities regulatory rules of the place where the Company's shares are listed.

Article 135 A person to serve as an independent non-executive director of the Company shall meet the following conditions:

- (I) qualified to serve as a director of a listed company in accordance with laws, administrative regulations, and other relevant provisions;
- (II) meeting the independence requirements set forth in the Articles of Association;
- (III) having basic knowledge of the operation of listed companies and being familiar with the relevant laws, regulations and rules;
- (IV) possessing over five years of work experience in law, accounting or economics required for his/her service as an independent director;
- (V) excelling in virtue, having no bad records such as significant breach of integrity;
- (VI) other conditions stipulated by laws, administrative regulations, the CSRC, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 136 Independent non-executive directors, as members of the board of directors, shall bear fiduciary and diligent duties to the Company and all shareholders, and prudently perform the following duties:

- (I) Participate in the decision-making of the board of directors and express clear opinions on matters under discussion;
- (II) Supervise potential material conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors, and senior management members to protect the legitimate rights and interests of minority shareholders;

- (III) 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;
- (IV) other duties stipulated by laws, administrative regulations, the CSRC, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 137 Independent non-executive directors shall exercise the following special functions and powers:

- (I) to independently engage intermediaries to conduct audit, advise or verification on specific matters of the Company;
- (II) to propose to the board of directors the convening of an extraordinary general meetings;
- (III) to propose the convening of board meetings;
- (IV) to publicly solicit shareholder rights from shareholders in accordance with the law;
- (V) to express independent opinions on matters that may prejudice the rights and interests of the Company or the small and medium shareholders;
- (VI) other functions and powers stipulated by laws, administrative regulations, regulations of the CSRC, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Any exercise of the functions and powers as referred to in items (I) to (III) of the preceding paragraph by the independent non-executive directors shall be approved by more than half of all independent non-executive directors.

Where an independent non-executive director exercises the functions and powers set forth in the first paragraph, the Company shall promptly disclose such information in accordance with laws, administrative regulations, and the regulatory rules of the place where the Company's shares are listed. If the aforementioned functions and powers cannot be exercised normally, the Company will disclose the specific circumstances and reasons in accordance with laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.

Article 138 The following matters shall be approved by more than half of all the independent non-executive directors of the Company before submitting to the board of directors for consideration:

- (I) discloseable connected transactions;
- (II) plans for the Company and related parties to change or waive their commitments;
- (III) decisions and measures taken by the board of directors of the acquired listed company in relation to the acquisition;
- (IV) other matters stipulated by laws, administrative regulations, the regulations of the CSRC, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 139 The Company shall establish a mechanism for special meetings which will be attended by independent non-executive directors only. Matters such as connected transactions to be considered by the board of directors shall be approved in advance by a special meeting of the independent non-executive directors.

The Company shall hold special meetings of independent directors on a regular or ad hoc basis. Matters listed in items (I) to (III) of paragraph 1 of Article 137 and in Article 138 of the Articles of Association shall be considered by a special meeting of the independent non-executive directors.

The special meetings of the independent non-executive directors may consider and discuss other matters of the Company when necessary.

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

Minutes of special meetings of independent non-executive directors should be prepared in accordance with the regulations and the views of independent non-executive directors should be set out in the minutes. The independent non-executive directors shall sign the meeting minutes for confirmation.

The Company shall facilitate and support the convention of the special meetings of the independent non-executive directors.

Section IV Board Committees

Article 140 The board of directors of the Company shall establish an audit committee to exercise the functions and powers of the board of supervisors as prescribed by the Company Law, and shall set up other relevant special committees such as nomination committee and remuneration committee, as needed. The special committees shall be accountable to the board of directors and perform their duties in accordance with the Articles of Association and the authorization of the board of directors, and their proposals shall be submitted to the board of directors for consideration and approval. Each special committee shall be comprised of at least three members, who are all directors, in which the independent non-executive directors shall account for more than half of the members of the nomination committee and remuneration committee, in which an independent non-executive director shall serve as the chairman (convener) of the remuneration committee, and the chairman of the board of directors or an independent non-executive director shall serve as the chairman (convener) of the nomination committee. All members of the audit committee shall be non-executive directors (including independent non-executive directors), with independent non-executive directors being the majority, and at least one independent non-executive director shall possess the appropriate professional qualifications required by the Hong Kong Listing Rules, or have appropriate accounting or related expertise in financial management, and this independent non-executive director shall serve as the chairman (convener). Chairman of each of the special committees shall be appointed and dismissed by the board of directors.

The board of directors shall be responsible for formulating the procedural rules and working procedures of the special committees, stipulating the composition, authority, procedures and other matters of the special committees, and regulating the operation of the special committees.

Specialized committees of the board of directors are specialized working bodies under the board of directors, providing recommendations or advice for major decisions of the board of directors. Specialized committees may not make any resolution in the name of the board of directors, but may exercise decision-making power in respect of matters under special authorization of the board of directors.

The specialized committees may engage intermediary agencies to provide professional advice according to actual needs, and the relevant expenses shall be borne by the Company.

The specialized committees are accountable to and report to the board of directors.

Article 141 The audit committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal controls. The following matters shall be submitted to the board of directors for review after being approved by a majority of all members of the audit committee:

- (I) disclosure of financial information in financial accounting reports and periodic reports, as well as internal control evaluation reports;
- (II) hiring or dismissing the accounting firm that undertakes audits of a listed company;
- (III) appointment or dismissal of the financial controller of a listed company;
- (IV) changes in accounting policies, accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;
- (V) other matters stipulated by laws, administrative regulations, the CSRC, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 142 The audit committee shall hold at least one meeting every quarter. Interim meetings may be held upon request by two or more members or when the convener deems necessary. The meeting of the audit committee can only be held with the presence of more than two thirds of its members.

Resolutions of the audit committee shall be adopted by a majority vote of the members of the audit committee.

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

The resolutions of the audit committee shall be recorded in the minutes of meetings in accordance with rules, which shall be signed by members of the audit committee who attended the meeting.

The working rules of the audit committee shall be established by the board of directors.

Article 143 The nomination committee is responsible for formulating the criteria and procedures for the selection of directors and senior management, selecting and reviewing the candidates for directors and senior management and their qualifications, and making recommendations to the board of directors on the following matters:

- (I) to nominate or appoint or remove directors;

- (II) to appoint or dismiss senior management;
- (III) other matters stipulated by laws, administrative regulations, the CSRC, regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

If the board of directors fails to adopt or fully adopt the recommendations of the nomination committee, the board of directors shall record in its resolution the opinions of the nomination committee and the specific reasons for not adopting such opinions, and make corresponding disclosure.

Article 144 The remuneration committee is responsible for formulating assessment standards for and conducting appraisals of directors and senior management, formulating and reviewing remuneration policies and packages such as decision-making mechanism, decision-making process, payment and stop payment recourse arrangement for directors and senior management, and making recommendations to the board of directors in respect of the following matters:

- (I) the remuneration of directors and senior management;
- (II) the formulation of or amendments to equity incentive plans, employee stock ownership plans, the granting of rights to incentive recipients and the achievement of conditions for exercise of such rights by incentive recipients;
- (III) the arrangement of stock ownership plans for subsidiaries to be spun off by the directors and senior management members;
- (IV) other matters stipulated by laws, administrative regulations, the regulations of the China Securities Regulatory Commission, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

If the board of directors fails to adopt or fully adopt the recommendations of the remuneration committee, the board of directors shall record in its resolution the opinions of the remuneration committee and the specific reasons for not adopting such opinions.

CHAPTER 6 SENIOR MANAGEMENT

Article 145 The Company has one manager who is nominated by the chairman of the board of directors and appointed or dismissed by the board of directors.

The Company has several deputy managers and a number of chief financial officer, secretary of the board of directors and other several senior management members who are nominated by the manager and appointed or dismissed by the board of directors.

The deputy manager, chief financial officer, secretary of the board of directors and other senior management members shall report to the manager. They carry out matters and tasks delegated by the manager and are specifically responsible for the operational management within their assigned divisions and areas of oversight.

Article 146 The provisions of the Articles of Association regarding the circumstances under which one may not serve as a director and the management system for resignation shall also apply to senior management.

The provisions of the Articles of Association regarding the fiduciary duty and duty of care of directors shall also apply to senior management.

In addition to in compliance with the foregoing provisions, a chief financial officer as a senior management member shall possess professional qualification higher than the level of an accountant, or have extensive knowledge on accounting with years of experience in finance, capital and securities market, and understand the process of investment and financing, methods of investment analysis, as well as relevant policies and regulations.

Article 147 Any person who takes an administrative role other than a director or a supervisor in the controlling shareholders of the Company shall not serve as a senior management member of the Company.

The senior management members of the Company shall only receive remuneration from the Company, not from the controlling shareholders on behalf of the Company.

Article 148 Each term of the manager is three years and may be extended by reappointment. The manager may resign prior to the expiration of his/her term of office. The detailed procedures and methods for the manager's resignation shall be stipulated in the contract between the manager and the Company.

Article 149 The manager is accountable to the board of directors and exercises the following powers:

- (I) to preside over the production, operation and management work of the Company, to organize the implementation of the resolutions of the board of directors and report to the board of directors;
- (II) to organize the implementation of the Company's annual business plan and investment plan;
- (III) to formulate the plan for establishment of the Company's internal management bodies;

- (IV) to formulate the Company's fundamental management system;
- (V) to stipulate the Company's specific regulations;
- (VI) to propose to the board of directors on the appointment or dismissal of deputy manager and chief financial officer of the Company;
- (VII) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the board of directors;
- (VIII) any other functions and powers conferred by the Articles of Association and the board of directors.

The manager shall attend the the meetings board of directors.

Article 150 The manager shall formulate work rules for manager, which shall be submitted to the board of directors for approval before implementation.

Article 151 The detailed work rules for manager shall include the following:

- (I) conditions and procedures for convening a manager meeting and the participating personnel;
- (II) specific duties and division of work of the manager and other senior management members;
- (III) the authority to utilize the Company's funds and assets and to enter into material contracts, and the reporting system to the board of directors;
- (IV) other matters deemed necessary by the board of directors.

Article 152 The Company has a secretary to the board of directors, who is responsible for arrangement of general meetings of the Company and meetings of the board of directors, document custody, shareholder particulars management, and handling information disclosure affairs.

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

Article 153 In the event that the secretary to the board of directors of the Company is dismissed or resigns from his/her office, he/she shall complete the procedures for handover of duty. If the secretary to the board of directors fails to complete the procedures for handover of duty after submitting his/her resignation letter, he/she shall continue to assume his/her duties as the secretary to the board of directors.

When there is a vacancy of the secretary to the board of directors, the board of directors of the Company shall appoint a director or a senior management member to act as the person in charge of information disclosure, and shall appoint a succeeding secretary to the board of directors within three months. Before the appointment of such a person by the Company, the chairman of the board of directors shall act as the person in charge of information disclosure.

Article 154 Where senior management members cause damage to others while performing their duties for the Company, the Company shall bear liability for compensation. The senior management member shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

Senior management shall be liable for compensation for any loss caused to the Company as a result of violation of the provisions of laws, administrative regulations, departmental rules or the Articles of Association when performing duties for the Company.

Article 155 Senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

If any senior management member fails to faithfully perform his/her duties or violates his/her duty of good faith, causing harm to the interests of the Company and public shareholders, he/she shall be liable for compensation in accordance with laws.

CHAPTER 7 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION, AND AUDIT

Section I Financial and Accounting System

Article 156 The Company shall formulate its financial and accounting system in accordance with the laws, administrative regulations, and the requirements of relevant national departments.

The accounting year of the Company follows the Gregorian calendar, which an accounting year shall commence on January 1st and end on December 31st each year.

Article 157 The Company shall submit, disclose and/or submit its annual reports, interim reports and other documents to shareholders in accordance with the regulatory rules and other normative documents of the stock exchange where the Company's shares are listed.

Article 158 Apart from the statutory accounting books, the Company will not keep separate accounting books. The Company's capital shall not be deposited into an account established in the name of any individual.

Article 159 When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% of the registered capital, the Company is released from the obligation of such allocation.

Where the statutory reserve fund of the Company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before the allocation to the statutory reserve fund in accordance with the above provisions.

After the Company has allocated to the statutory reserve fund from its profit after tax, it may also allocate to the discretionary reserve fund from its profit after tax by resolution of the general meeting.

After the Company has made up its losses and allocated to the statutory reserve fund, the remaining after-tax profits shall be distributed to shareholders in proportion to their shareholdings, except as otherwise provided in these Articles of Association.

If the general meeting approves any profit distribution in violation of the Company Law, shareholders must return the unlawfully distributed amounts to the Company. Shareholders and liable directors/senior management shall compensate for any losses caused to the Company.

The Company shall not distribute any profits in respect of the shares held by it.

The Company shall appoint one or more payment receiving agents in Hong Kong for shareholders of H shares. The payment receiving agent shall receive and hold on behalf of such shareholders of H shares any dividends in respect to H shares and other amounts payable by the Company, for future payments to such shareholders of H shares. The payment receiving agent(s) appointed by the Company shall comply with the requirements of laws, regulations, and the securities regulatory rules of the Company's stock listing venue, including that the payment receiving agent appointed for the shareholders of H shares shall be a trust company registered under the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong).

Article 160 The Company's reserves are used for making up the Company's losses, expanding the Company's production and operation, or converting into and increasing the capital of the Company.

The discretionary reserve fund and statutory reserve fund shall be used first to make up the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations.

When the statutory reserve fund is converted to increase registered capital, the amount of such reserve fund retained shall be no less than 25% of the registered capital of the Company before the conversion.

Article 161 After the general meeting has resolved on the plan to allocate profits, or after the board of directors of the Company has formulated specific plan based on the conditions and upper limit for the next year interim dividend approved by the annual general meeting, the board of directors shall complete the distribution of dividends (or bonus shares) within two months.

Article 162 The Company shall formulate a profit distribution system, which can distribute dividends in cash, stocks, a combination of cash and stocks, or other methods permitted by laws and regulations. The specific methods are as follows:

- (I) The Company's profit distribution principle: The Company implements the dividend distribution policy of equal right for equal share, and shareholders receive dividends and other forms of profit distribution based on the shares they hold. The Company implements an active profit distribution policy, attaches importance to reasonable investment returns for investors, and maintains continuity and stability. The Company may distribute profits in the form of cash or shares, and the distribution of profits shall not exceed the cumulative distributable profits and shall not impair the Company's ability to operate as a going concern. The board of directors and the general meeting shall give full consideration to the opinions of independent non-executive Directors and public investors in the process of decision-making and discussion on the profit distribution policy.
- (II) The Company's general form of profit distribution: The distribution of dividends may be made by cash, shares, or a combination of both, and in the event that the Company has cash for dividend distribution, the Company shall give priority to the use of cash dividend for profit distribution.
- (III) The Company's specific conditions and proportion of cash dividend: The Company mainly adopts the profit distribution policy of cash dividend, that is, the Company achieves profit in the current year, and can distribute profits after making up the loss, making allocation to the statutory reserve fund and surplus reserve fund in accordance with the laws, then the Company may distribute cash dividend; the Company's profit distribution shall not exceed the cumulative distributable profit.

Section II Internal Audit

Article 163 The Company shall implement the internal audit system that specifies the governance structure, scope of authority, staffing, funding, utilization of audit results, and accountability mechanisms for internal audit activities. The Company shall establish an audit department with full-time auditors to conduct internal audit and supervision on the Company's financial revenues and expenditures and economic activities.

The internal audit system shall be implemented upon approval by the board of directors and publicly disclosed.

Article 164 The internal audit institution of the Company conducts supervision and inspection of the business activities, risk management, internal control, financial information and other matters of the Company.

Article 165 The audit department is accountable to the board of directors. The audit department shall be subject to the supervision and guidance of the audit committee in the course of its supervision and inspection of the Company's business activities, risk management, internal control and financial information. If the audit department discovers any significant issues or clues, it shall immediately report directly to the audit committee.

Article 166 The specific organization and implementation of the Company's internal control evaluation shall be the responsibility of the audit department. The Company issues an annual internal control evaluation report based on the evaluation report and related information issued by the audit department and reviewed by the audit committee.

Article 167 When the audit committee communicates with external audit units such as accounting firms and national audit agencies, the audit department shall actively cooperate and provide necessary support and collaboration.

Article 168 The audit committee participates in the performance evaluation of the head of internal auditing.

Section III Appointment of Accounting Firms

Article 169 The Company shall engage an independent accounting firm that complies with the Securities Law, the Hong Kong Listing Rules and other laws and regulations as well as the regulatory rules of the place where the shares of the Company are listed to audit the accounting statements, verify the net assets and provide other relevant consulting services for a term of one year. The accounting firms may be re-appointed.

Article 170 The appointment, removal and remuneration (or the method of determining such remuneration) of the accounting firm must be approved by an ordinary resolution at a general meeting, and the board of directors shall not appoint any accounting firm before the decision made by the general meeting.

Article 171 The Company guarantees to provide true and complete vouchers, books, financial and accounting reports and other accounting materials to the accounting firm engaged and shall not refuse to provide or conceal or give false information.

Article 172 The audit fee payable to an accounting firm shall be determined by the general meeting.

Article 173 When the Company terminates or does not renew the appointment of the accounting firm, it shall give a 30-day prior notice to the accounting firm, and the accounting firm shall be allowed to make its representation at the general meeting where a voting process concerning the dismissal of the accounting firm is carried out.

Where the accounting firm tenders its resignation, it shall state at a general meeting whether the Company has any irregularities.

CHAPTER 8 NOTICE AND PUBLIC ANNOUNCEMENT

Section I Notices

Article 174 Notices of the Company may be delivered through one or more of the following means:

- (I) by hand;
- (II) by post, e-mail or fax;
- (III) by way of announcement;
- (IV) by any other form stipulated in the Articles of Association.

Article 175 Where the Company's notice is delivered by way of announcement, all relevant persons are deemed to have received the notice upon the publication of such announcement. Where a notice of the Company is served by hand, the addressee shall be required to sign his/her name (or affix his/her chop) on the receipt, and the signing date of the receipt shall be the date of service; If the notice is delivered by post, it shall be deemed to have been received on the fifth working day from the date upon which the post office receives the notice. Where a notice of the Company's meeting is delivered by e-mail, the date of receipt is the date on which such email is sent. Where a notice of the Company's meeting is delivered by fax, the date of receipt is the date on which such fax is sent. For any notices issued by the Company by way of announcement, the date of first publication shall be the date of service.

Article 176 The notices of general meetings convened by the Company shall be issued by way of announcement.

Article 177 Notices for convening meetings of board of directors by the Company shall be delivered by personal delivery, post, e-mail or fax.

Article 178 The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, any person entitled to receive the notice shall not invalidate the meeting and the resolutions thereat.

Section II Announcements

Article 179 The Company shall designate the HKEXnews website (<http://www.hkexnews.hk>) and (if necessary) any other newspapers or websites specified by the CSRC and the stock exchange(s) where the Company's shares are listed, as the media for publication of the Company's announcements and other information required to be disclosed.

CHAPTER 9 MERGER, DIVISION, INCREASE OF REGISTERED CAPITAL, REDUCTION OF REGISTERED CAPITAL, DISSOLUTION AND LIQUIDATION

Section I Merger, Division, Capital Increase and Reduction

Article 180 A merger of a company may take the form of an absorption merger or a consolidation merger.

In the case of absorption merger, a company absorbs other companies and the absorbed company is dissolved. In the case of consolidation merger, two or more companies combine together for the establishment of a new company, and the pre-merger companies are dissolved.

Article 181 Where the consideration for the merger payable by the Company does not exceed 10% of the net assets of the Company, the merger is not subject to the approval of general meeting, unless otherwise provided for in the Articles of Association.

Mergers conducted in accordance with the preceding paragraph not subject to the approval of general meeting must be approved by a resolution of the board of directors.

Article 182 In the case of a merger, all parties to the merger shall execute a merger agreement and shall prepare the balance sheets and inventory of assets. The Company shall notify its creditors within 10 days since the date of adoption of the merger resolution and publish an announcement about the merger in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days.

Creditors shall be entitled to claim full repayment of all debts owed by the Company or require corresponding guarantees to be provided within 30 days of receiving the notice, or within 45 days of the date of publication of the announcement if any such creditor does not receive the notice.

Article 183 Upon merger, the creditor's rights and debts of the merger parties shall be succeeded by the company which subsists after the merger or the newly-established company.

Article 184 If the Company is to be divided, its assets shall be divided accordingly.

In the event of a company division, a balance sheet and an inventory of assets shall be prepared. The Company shall notify the creditors within 10 days from the date of the resolution for division and publish announcements in newspapers or through the National Enterprise Credit Information Publicity System within 30 days.

Article 185 The post-division companies shall bear several and joint liabilities for the debts of the Company before the division. Unless it is otherwise prescribed in a written agreement reached by the Company and the creditors before the division regarding the pay-off of debts.

Article 186 Where the Company finds it necessary to reduce its registered capital, it must prepare a balance sheet and an inventory of assets.

The Company shall notify the creditors within a period of 10 days from the date of the resolution to reduce the registered capital made by the general meeting and make announcements in newspapers or through the National Enterprise Credit Information Publicity System within 30 days. Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that respective guarantees to be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

The reduction of the Company's registered capital shall be made in accordance with the proportion of shares held by shareholders, except as otherwise provided by law or the Articles of Association.

Article 187 After the Company has covered its losses in accordance with the provisions of paragraph 2 of Article 160 of the Articles of Association, if there are still losses, it may reduce its registered capital to cover the losses. The Company shall not distribute to shareholders or exempt shareholders from the obligation to contribute capital or pay shares when reducing registered capital to cover losses.

If the Company reduces its registered capital according to the preceding paragraph, it is exempted from paragraph 2 of Article 186 in this Articles of Association. However, the Company shall make a public announcement in a newspaper or on the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within 30 days from the date of passing the resolution to reduce the registered capital by the general meeting.

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

Article 188 Where the registered capital is reduced in violation of the Company Law or other relevant provisions, shareholders shall refund the capital received thereby; where the shareholders' capital contributions are exempted or reduced, the original status shall be restored; where the Company suffers any loss, the shareholders and the responsible directors and senior executives shall bear the liability for compensation.

Article 189 When the Company issues new shares to increase its registered capital, shareholders shall not enjoy the rights of first refusal, unless otherwise provided in this Articles of Association or determined by resolutions of the general meeting.

Article 190 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall be deregistered in accordance with the law. If a new company is established, the registration of establishment of a company shall be made in accordance with the law.

In the case of increasing or reducing its registered capital, the Company shall go through changes of registration with the company registration authority in accordance with the law.

Section II Dissolution and Liquidation

Article 191 The Company shall be dissolved due to the following reasons:

- (I) the business term specified in the Articles of Association has expired or other cause for dissolution specified in the Articles of Association has occurred;
- (II) the general meeting resolves to dissolve;
- (III) dissolution is required due to merger or division of the Company;
- (IV) the Company is revoked of its business license, ordered to close down or deregistered in accordance with the laws;
- (V) In the event that there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will cause heavy losses to the interests of its shareholders and there is no other way to resolve such issues, shareholders who hold more than 10% of the whole voting rights may submit a petition to the People's Court to dissolve the Company.

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

Article 192 For the circumstances stipulated in item (I) and (II) of Article 191 hereof, and no property has been distributed to shareholders, the Company may continue to subsist by amending the Articles of Association or by resolution of the general meeting.

An amendment to the Articles of Association or a resolution of the general meeting according to the provisions as mentioned in the preceding paragraph requires affirmative votes by at least two-thirds of the votes held by shareholders attending the general meeting.

Article 193 Where the Company is dissolved under the circumstance in items (I), (II), (IV) or (V) of Article 191 of these Articles of Association, it shall be liquidated. The Directors, who are the liquidation obligors of the Company, shall set up a liquidation team within 15 days from the date of occurrence of the cause of dissolution to commence the liquidation process.

The liquidation team shall be composed of the Directors or the personnel determined by the general meeting. If a liquidation team is not established within the time limit, the creditors may apply to the People's Court to appoint relevant personnel to form a liquidation team to conduct the liquidation.

If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall bear the liability for compensation.

Article 194 During the liquidation period, the liquidation team shall exercise the following powers:

- (I) to liquidate the Company's assets and prepare a balance sheet and an inventory of assets;
- (II) to notify creditors by sending notice or by making announcement;
- (III) to handle outstanding businesses of the Company related to liquidation;
- (IV) to pay off the outstanding taxes and the taxes incurred in the process of liquidation;
- (V) to liquidate creditor's rights and debts;
- (VI) to distribute the Company's remaining property after paying off its debts;
- (VII) to represent the Company in any civil proceedings.

Article 195 The liquidation team shall notify the creditors within a period of 10 days from the date of its formation and make announcements in newspapers or through National Enterprise Credit Information Publicity System within 60 days. The creditors are required to, within 30 days from the date of receiving the notices, or for the creditors who fail to receive the notices, within 45 days from the date of the public announcement, declare their claims to the liquidation team.

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

During the period of declaration of claims, the liquidation team shall not repay the debts to creditors.

Article 196 After liquidating the Company's assets and preparing the statement of assets and liabilities and the inventory of assets, the liquidation team shall prepare a liquidation plan and submit it to the general meeting or the People's Court for confirmation.

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

During the liquidation period, the Company shall subsist but shall not engage in business activities unrelated to liquidation.

The Company's property shall not be distributed to the shareholders until repayment of its debts as specified in the preceding paragraphs.

Article 197 If the liquidation team finds that the Company's assets are insufficient to pay off its debts after clearing up the Company's assets and preparing the statement of assets and liabilities and the inventory of assets, it shall apply to the People's Court for bankruptcy and liquidation in accordance with the laws.

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

Article 198 After the liquidation of the Company, the liquidation team shall prepare a liquidation report, submit it to the general meeting or the People's Court for confirmation, and submit it to the company registration authority and apply for deregistration of the Company.

Article 199 Members of the liquidation team performing their liquidation obligations have the duties of loyalty and diligence.

Members of the liquidation team are prohibited from abusing their powers to accept bribes or other illegal obtain and from misappropriating the Company's properties. Members of the liquidation team who fail to fulfill their liquidation duties and cause losses to the Company shall be liable for compensation; members of the liquidation team shall be liable to indemnify the creditors for any loss arising from their willful or material default.

Article 200 Where the Company is declared insolvent in accordance with laws, it shall implement insolvency liquidation in accordance with the relevant laws relating to insolvency of an enterprise.

CHAPTER 10 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 201 The Company shall amend the Articles of Association under any of the following circumstances:

- (I) after the amendment of the Company Law or relevant laws, administrative regulations, Hong Kong Listing Rules and securities regulatory rules of the place where the Company's shares are listed, the provisions under the Articles of Association conflict with the provisions of the amended laws, administrative regulations, Hong Kong Listing Rules and securities regulatory rules of the place where the Company's shares are listed;

- (II) there has been a change to the Company, resulting in inconsistency with the contents in the Articles of Association;
- (III) the general meeting has decided to amend the Articles of Association.

Article 202 If the amendment to the Articles of Association adopted by resolution of the general meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if an amendment to the Articles of Association involves registered particulars of the Company, registration of the change shall be carried out in accordance with the law.

Article 203 The board of directors shall amend the Articles of Association in accordance with the resolution of the general meeting to amend the Articles of Association and the approval opinions of the relevant competent authorities.

Article 204 Where amendments to the Articles of Association are required to be disclosed by laws and regulations, the Company shall make public announcement in accordance with the provisions.

CHAPTER 11 SUPPLEMENTARY PROVISIONS

Article 205 Interpretations

- (I) Controlling shareholder means a shareholder whose shareholding accounts for more than 50% of the Company's total share capital; or a shareholder whose shareholding, although less than 50%, enables such shareholder to exercise voting rights sufficient to have material influence on general meeting resolutions.
- (II) De facto controllers refer to natural persons, legal persons, or other organizations that can effectively control the Company's actions through investment relationships, agreements, or other arrangements.
- (III) Connected relationship refers to that as defined in the Hong Kong Listing Rules.

Article 206 The board of directors may formulate bylaws in accordance with the provisions of the Articles of Association.

The bylaws shall not conflict with the provisions of the Articles of Association.

Article 207 The Articles of Association are written in Chinese. In case of any discrepancy between the Articles of Association and versions in any other language or different versions, the Chinese version of the Articles of Association most recently approved and registered with the market supervision and administration authorities shall prevail.

Article 208 All references in the Articles of Association to “above”, “within” and “below” shall include the relevant number itself; references to “exceed”, “beyond”, “lower than” and “more than” shall not include the relevant number itself.

Article 209 The appendices to the Articles of Association include the Rules of Procedure for the general meeting and the Rules of Procedure for Board Meetings.

Article 210 The Articles of Association shall be interpreted by the board of directors of the Company.

Article 211 In case of any conflict between the Articles of Association and the requirements of laws, administrative regulations, other relevant normative documents, the Hong Kong Listing Rules and the securities regulatory rules of the place where the Company’s shares are listed promulgated from time to time, such requirements of laws, administrative regulations, other relevant normative documents, the Hong Kong Listing Rules and the securities regulatory rules of the place where the Company’s shares are listed shall prevail.

Article 212 The Articles of Association shall be considered and approved by the general meeting of the Company and shall become effective from the date on which the Company’s H Shares are filed with the CSRC and listed on the Hong Kong Stock Exchange.