

Xizang Zhihui Mining Co., Ltd.*
西藏智汇矿业股份有限公司

Articles of Association

(Applicable after the listing of H Shares)

December 2025

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Xizang Zhihui Mining Co., Ltd.*

西藏智汇矿业股份有限公司

Articles of Association

CHAPTER I GENERAL PROVISIONS

Article 1 These Articles of Association are formulated in accordance with the provisions of the Company Law of the People's Republic of China (《中华人民共和国公司法》) (the "Company Law"), the Securities Law of the People's Republic of China (《中华人民共和国证券法》) (the "Securities Law"), Trial Administrative Measures for Overseas Issuance and Listing of Securities by Domestic Enterprises (《境内企业境外发行证券和上市管理试行办法》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules") and other relevant provisions, and by reference to the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) and other relevant provisions of the China Securities Regulatory Commission (the "CSRC") on corporate governance for the purposes of safeguarding the legitimate rights and interests of Xizang Zhihui Mining Co., Ltd.* (the "Company"), shareholders and creditors and regulating the organization and conduct of the Company.

Article 2 The Company was incorporated as a joint stock company with limited liability in accordance with the Company Law and other relevant PRC laws and regulations and departmental rules.

The Company was promoted and established through fully transforming from Xizang Zhihui Industrial Co., Ltd. (西藏智汇实业有限公司); it was registered with the business registration authority and obtained a business license, with the unified social credit code: 91540091064685221N.

Article 3 Upon the filing with the CSRC on September 25, 2025, the Company made the initial public issuance of 121,952,000 overseas listed shares (the "H Shares") in Hong Kong. The aforementioned H Shares were listed on the The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on December 19, 2025.

Article 4 The registered name of the Company

Chinese name: 西藏智汇矿业股份有限公司

English name: Xizang Zhihui Mining Co., Ltd.*

Article 5 The Company's domicile address: Building 2, No. 2 Tongzhan West Road, Railway Station, Serni District, Nagqu, Xizang Autonomous Region

Postal code: 852000

Article 6 The Company's registered capital is RMB487,805,659.

Article 7 The Company is a joint stock limited company with perpetual existence.

Article 8 The chairman of the board of directors of the Company shall be the legal representative of the Company.

Where the chairman of the board of directors resigns, such person shall be deemed to have resigned as the legal representative at the same time. Where the legal representative resigns, the Company shall appoint a new legal representative within 30 days from the date of the resignation of the legal representative.

The legal consequences of civil activities performed by the legal representative in the name of the Company shall be borne by the Company. The limitation on the functions and powers of the legal representative in these Articles of Association or by the shareholders' meeting shall not be asserted against a bona fide counterpart. Where the legal representative causes damage to any other person in the performance of his/her duties, the Company shall bear civil liability for such damage. The Company may, after bearing such civil liability, seek indemnification from the legal representative at fault in accordance with the laws or these Articles of Association.

Article 9 The shareholders are responsible for the Company to the extent of their subscribed shares, and the Company is responsible for the Company's debts with all its assets.

Article 10 These Articles of Association shall become a legally binding document that regulates the organization and behavior of the Company, the rights and obligations between the Company and its shareholders, and between the shareholders, from the effective date, and shall be legally binding on the Company, shareholders, directors and members of senior management officers. Pursuant to these Articles of Association, shareholders may sue shareholders, shareholders may sue directors, general managers and other members of senior management of the Company, shareholders may sue the Company, and the Company may sue the shareholders, directors, general managers and other members of senior management.

Article 11 The members of senior management mentioned in these Articles of Association refer to the general manager, deputy general manager, finance officer (chief financial officer) and secretary of the board of directors of the Company.

Article 12 The Company shall set up an organization of the Communist Party of China (the “CPC”) and carry out CPC activities in accordance with the requirements of the constitution of the CPC. The Company shall provide the CPC organization with necessary conditions for its activities.

CHAPTER II BUSINESS SCOPE

Article 13 After registration in accordance with the law, the Company’s business scope includes processing, transportation and sales of mineral products; mineral information consulting services, and cargo transportation information consulting services; sales of mechanical and electrical equipment and machinery equipment; import and export trade; warehousing and logistics services for general cargo (excluding hazardous chemicals, easy-to-manufacture drugs, fireworks and crackers, etc.). Business activities which are subject to approval by competent regulatory authorities in accordance with applicable laws shall be carried out following the contents of approval. (Permitted to operate in accordance with law any item not prohibited or restricted by law, except those required approval under law).

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 14 Shares of the Company shall take the form of share registered certificates. The share certificates of the Company shall contain the particulars as required by the Company Law, and any other items as required by any stock exchange on which the Company’s shares are listed.

Article 15 The shares of the Company shall be issued in a transparent, fair and equal manner, and each share shall rank *pari passu* with other shares of the same class.

Shares of the same class issued at the same time shall be issued with the same conditions and price per share; any unit or individual shall pay the same price per share for the subscription of shares.

The unlisted domestic shares issued by the Company shall rank *pari passu* with the overseas listed shares in respect of any distribution by way of dividend (including distributions in cash and in specie) or otherwise. No powers shall be exercised to freeze or otherwise prejudice any of the rights attaching to any share by reason only that any person who is interested directly or indirectly therein has failed to disclose his/her interests to the Company.

After being filed with the securities regulatory authority of the State Council and approved by the Hong Kong Stock Exchange, all or part of the Company's unlisted domestic shares may be converted into overseas listed shares, and the overseas listed shares so converted may be listed and traded on an overseas stock exchange. The listing and trading of the such converted shares on the overseas stock exchange shall also be subject to the regulatory procedures, regulations and requirements of the overseas stock market.

Article 16 All the par value shares issued by the Company have a par value denominated in RMB.

Article 17 The domestic unlisted shares issued by the Company are collectively deposited with China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company shall be primarily deposited with the Hong Kong Central Clearing and Settlement System in accordance with the laws and practices of securities registration and depository of the places where the shares are listed, and such shares may also be held in the names of the shareholders.

Article 18 The Company was established by way of promotion. The total number of shares upon establishment was 360,000,000 shares, all of which were Renminbi ordinary shares with a par value of RMB1 each. As at the Company was established, the number of shares subscribed by the promoters, their respective proportion to the total share capital, contribution method and time are set out as following:

No.	Name of shareholder	Number of shares subscribed for	Percentage of shareholding	Method of contribution	Time of Contribution
		(0'000 shares)	(%)		
1	Xizang Zhifeng Industrial Co., Ltd.	19,800	55.00	Shares converted from net assets	2020.12.8
2	Xizang Shengyuan Mineral Group Co., Ltd.	16,200	45.00	Shares converted from net assets	2020.12.8
	Total	36,000	100.00	—	—

Article 19 Upon the completion of the initial public offering of H Shares (assuming the over-allotment option is not exercised), the total number of shares of the Company shall be 487,805,659 shares, all of which are ordinary shares.

Article 20 The Company and its subsidiaries (including affiliated enterprises of the Company) shall not provide any financial assistance by means of donation, advances, loan, guarantee or other means for others to obtain the shares of the Company or the parent company thereof unless it carries out an employee stock ownership plan.

Subject to the provisions of laws, regulations, and securities regulatory rules of the places where the Company's shares are listed, for the benefits of the Company, the Company may, upon a resolution by the shareholders' meeting or by the board of directors under these Articles of Association or the authorization of the shareholders' meeting, provide financial assistances for others to obtain the shares of the Company or the parent company thereof, provided that the total accumulative amount of the financial assistances shall not exceed 10% of the total issued share capital. A resolution by the board of directors shall be adopted by two thirds of all the directors.

In the event of any violation against the provisions of the preceding two paragraphs which causes losses to the Company, the responsible directors and senior management shall be liable for compensation.

Section 2 Increase, Reduction and Repurchase of Shares

Article 21 According to the operation and development needs of the Company, subject to the applicable laws, regulations and securities regulatory rules of the places where the Company's shares are listed, the Company may increase the registered capital by the following ways upon approval by separate resolution of the shareholders' meeting:

- (I) issuance of shares to non-specific targets;
- (II) issuance of shares to specific targets;
- (III) distribution of bonus shares to existing shareholders;
- (IV) conversion of the common reserve fund into additional share capital;
- (V) other means prescribed by laws, administrative regulations and the relevant regulatory authorities.

Subject to the applicable laws, regulations and securities regulatory rules of the places where the Company's shares are listed, the board of directors may, by authorization of the shareholders' meeting, decide to issue not more than 50% of the shares that have been issued within three years. However, if the capital contributions are to be made using non-monetary property, they shall be subject to a resolution made by the shareholders' meeting.

Where the board of directors decides to issue shares pursuant to the preceding paragraph, and thus results in a change in the registered capital or the number of issued shares of the Company, the voting at the shareholders' meeting may not be needed to revise such item set forth in these Articles of Association. Where the shareholders' meeting authorizes the board of directors to decide on issuing new shares, a resolution of the board of directors shall be adopted by two thirds of all the directors.

The Company's issuance of new shares to increase capital shall, upon approval according to these Articles of Association and the listing rules of the place where the Company's Shares are listed, be carried out in accordance with the procedures stipulated by relevant national laws, administrative regulations, departmental rules and the listing rules of the place where the Company's Shares are listed.

Article 22 The Company may reduce its registered capital. If the Company reduces its registered capital, such reduction shall be made in accordance with the Company Law, the Hong Kong Listing Rules and other relevant provisions and the procedures stipulated in these Articles of Association.

Article 23 The Company shall not acquire the shares of the Company. However, except under any of the following circumstances:

- (I) reduction of the registered capital of the Company;
- (II) merging with other companies which are holding the shares of the Company;
- (III) when shares are used for employee stock ownership plan or equity incentives;
- (IV) when dissenting shareholders who object to a resolution on the merger or division of the Company passed by a shareholders' meeting request the Company to acquire their shares;
- (V) when shares are used for the conversion of corporate bonds issued by the Company that are convertible into shares;
- (VI) where it is necessary for the Company to maintain corporate value and shareholders' interests;
- (VII) other circumstances as prescribed by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed.

Article 24 The Company may repurchase its shares through public centralized trading or other ways recognized by laws, regulations, the Hong Kong Listing Rules and relevant regulatory authorities under the premise of complying with the securities regulatory rules of the places where the Company's shares are listed.

Article 25 Approval shall be obtained from the shareholders' meeting when the Company is to repurchase its own shares under the circumstances (I) or (II) of Article 23; if the share repurchase is made under any of the circumstances stipulated in (III), (V) or (VI) of Article 23 of these Articles of Association, centralized trading shall be adopted publicly, and a resolution of the board of directors shall be made by a two-thirds majority of directors attending the meeting under the premise of complying with the applicable securities regulatory rules of the places where the Company's shares are listed. If it is otherwise provided in the securities regulatory rules of the places where the Company's shares are listed, such rules shall prevail in the premise of not violating the provisions of the Company Law, the Securities Law and other laws and regulations and the Guidelines for the Articles of Association of Listed Companies.

Following the purchase of its own shares by the Company in accordance with Article 23 of these Articles of Association, if the shares fall under the circumstances specified in item (I), they shall be canceled within 10 days from the date of purchase, provided that the applicable securities regulatory rules of the place where the Company's shares are listed have been observed; under the circumstances specified in items (II) and (IV), the shares shall be assigned or deregistered within six months; in the case of items (III), (V) and (VI), the total number of shares held by the Company shall not exceed 10% of the total number of shares issued by the Company, and shall be assigned or deregistered within three years. Where the securities regulatory rules of the place where the Company's shares are listed provide for otherwise, such rules shall prevail provided that they do not violate the laws and regulations such as the Company Law and the Securities Law, as well as other applicable domestic laws and regulations such as the Guidance on the Articles of Association of Listed Companies.

Any purchase of the Company's shares by the Company should adhere to the information disclosure obligations as stipulated in the Securities Law and the securities regulatory rules of the places where the Company's shares are listed.

Section 3 Transfer of Shares

Article 26 The shares of the Company may be transferred according to law, unless otherwise provided by laws, administrative regulations, departmental regulations or securities regulatory rules of the place where the shares are listed.

Transfer of H shares shall be registered with the local share registration agency entrusted by the Company in Hong Kong. The number of shareholders of the Company after the transfer shall comply with the relevant requirements of laws and regulations.

If there are provisions in the laws and regulations of the place where the Company's shares are listed stipulating the closure of the register of members prior to the shareholders' meeting or the record date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

Transfer of any H Shares shall be executed with a written instrument of transfer with a common format or other format accepted by the board of directors (including the standard transfer format or transfer form specified from time to time by the Hong Kong Stock Exchange), which may only be signed by hand or (if the transferor or transferee is a company) affixed with the effective corporate seal. If the transferor or transferee is a recognized clearing house defined in the relevant provisions in force from time to time of the Hong Kong laws (the "recognized clearing house") or its agent thereof, the instrument of transfer may be signed by hand or by machine imprinted signatures. All instruments of transfer shall be kept at the legal address of the Company or other place designated by the board of directors from time to time.

Article 27 The Company shall not accept its shares being held as security under a pledge.

Article 28 Shares issued prior to the public offering of the Company's shares shall not be transferred within one year from the date the Company's shares are listed and traded on the stock exchange.

The directors and members of senior management of the Company shall report to the Company the shares of the Company held and the changes in their shareholdings. During his/her term of service as determined at the time of taking office, he/she should not transfer more than 25% of the total number of shares of the same class of Company held each year. The shares of the Company held shall not be transferred within one year from the date of listing and trading of the Company's shares. Any of them should not transfer the shares of the Company held within half a year upon departure from the Company.

Where the controlling shareholder or the actual controller transfers the shares it holds in the Company, such transfer shall be conducted in accordance with the restrictive provisions on share transfer under the laws, administrative regulations, the rules of the CSRC and the securities regulatory authorities of the place where the Company's shares are listed, as well as any undertaking made in respect of restrictions on share transfer.

Where the listing rules of the place where the shares of the Company are listed have otherwise provisions on the restrictions on the transfer of the shares of the Company, such provisions shall prevail.

Article 29 Any gains from sale of Company's shares or other securities with an equity nature by the directors and members of the senior management or shareholders holding 5% or more of the Company's shares (excluding Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited) within six months after their purchase of the same, and any gains from the purchase of the shares or other securities with an equity nature by any of the aforesaid parties within six months after their sale of the same, shall belong to the Company, and the board of directors of the Company shall recover such gains from the abovementioned parties. However, if a securities company holds more than 5% of the shares of the Company by buying the remaining Shares pursuant to an underwriting arrangement and except other circumstances as stipulated by the CSRC.

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

If the board of directors of the Company fails to comply with the provisions set forth in the first paragraph of this Article, the shareholders are entitled to request the board of directors to comply with such within 30 days. If the board of directors of the Company fails to comply within the aforesaid period, the shareholders are entitled to initiate legal proceedings directly in the People's Court in their personal capacity for the interest of the Company.

If the board of directors of the Company fails to comply with the provisions set forth in the first paragraph of this Article, the responsible directors shall bear joint liabilities in accordance with the law.

CHAPTER IV SHAREHOLDERS AND SHAREHOLDER'S MEETINGS

Section 1 Shareholders

Article 30 The Company shall set up a register of shareholders based on the certificates provided by the securities registration and clearing institution. The register of shareholders shall be sufficient evidence to the holding of the shares of the Company by a shareholder. The original copy of the register of H shareholders is kept in Hong Kong and is available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the places where the Company's shares are listed. If there are special provisions under the applicable laws, administrative regulations, departmental regulations, normative documents and the securities regulatory rules of the place where the Company's shares are listed on the closure of alternation of registration in the register of shareholders, those provisions shall prevail.

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

If a shareholder of overseas listed H shares loses share certificates and applies for a replacement issue, it may be handled in accordance with the laws, the rules of the stock exchanges or other relevant provisions of the storage site of the original copy of the register of H shareholders of the overseas listed H shares.

In respect of the joint shareholders of any shares, only the joint shareholder whose name stands first in the register of shareholders shall be entitled to receive from the Company a share certificate for the relevant shares, or to receive notices from the Company, and any notice served on the said person shall be deemed to have been served on all the joint shareholders of the relevant shares. Any one of such joint shareholders may sign a proxy form provided that, if more than one joint shareholders are present in person or by proxy, the vote made by the preferred joint shareholder, whether in person or by proxy, shall be accepted as the sole vote for the remaining joint shareholders. For this purpose, the priority of the shareholders must be determined by the order in which the names of the joint shareholders stand in relation to the relevant shares on the register of shareholders of the Company.

Article 31 Where the Company holds a shareholders' meeting, distributes dividends, undergoes liquidation or engages in other activities requiring the identification of the shareholders, the date of registration of shareholdings shall be determined by the board of directors or the convener of the shareholders' meeting. The shareholders who appear on the register of shareholders after the close of trading on the date of registration of shareholdings are shareholders entitled to the corresponding rights and interests.

Article 32 shareholders of the Company shall be entitled to the following rights:

- (I) to receive dividends and profit distributions in other forms in proportion to the shares they hold;
- (II) to propose to hold, convene, preside over, attend or send proxies to attend the shareholders' meetings and exercise their corresponding right to speak and vote according to laws (unless individual shareholders are required to waive their voting rights on certain matters in accordance with the relevant requirements of the place where the Company's securities are listed);
- (III) to supervise, present suggestions on or make inquiries about the operations of the Company;
- (IV) to transfer, make a gift of or pledge the Company's shares held by them in accordance with the laws, administrative regulations and these Articles of Association;
- (V) to consult and copy the articles of association, the register of shareholders, minutes of shareholders' meetings, resolutions of the board meetings and the financial and accounting reports of the Company and its wholly-owned subsidiaries. Shareholders who meet the relevant requirements may inspect the Company's accounting books and accounting vouchers;
- (VI) to participate in the distribution of the remaining properties of the Company in proportion to their shareholdings in the event of the termination or liquidation of the Company;
- (VII) to request the Company to purchase their shares for the shareholders who object to the Company's resolution on merger or split-up made by the shareholders' meetings;
- (VIII) to check the Hong Kong branch of the Company's shareholder register, but the Company may suspend shareholder registration procedures in accordance with Article 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and other provisions;
- (IX) to enjoy other rights stipulated by laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Article 33 Any shareholder seeking to inspect or obtain copies of the relevant documents referred to in the preceding Article shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations.

Article 34 The resolutions of the shareholders' meeting and meetings of the board of directors that are contrary to laws and administrative regulations are invalid.

If the procedures for convening, or the method of voting at, a shareholders' meeting or meeting of the board of directors violate the laws, administrative regulations or these Articles of Association, or the contents of a resolution violate these Articles of Association, shareholders shall have the rights to submit a petition to the People's Court to revoke such resolution within 60 days from the date on which such resolution is adopted, unless there is only a slight defect in the procedure of convening or the method of voting at the shareholders' meetings or board meetings, which has no substantive impact on the resolution.

Any shareholder who has not been notified to attend the shareholders' meeting may petition the People's Court to revoke the relevant resolution within sixty days from the date the shareholder becomes aware or should have become aware of the adoption of the resolution; if the shareholder does not exercise the right to revocation within one year from the date of the adoption of the resolution, the right to revocation shall be extinguished.

In the event of a dispute over the validity of a shareholders' meeting resolution between the board of directors, shareholders, or other relevant parties, they shall promptly file a lawsuit with the People's Court. Before the People's Court issues a judgment or ruling to annul the resolution, the relevant parties shall implement the shareholders' meeting resolution. The Company, directors, and senior management shall diligently fulfill their duties to ensure the normal operation of the Company.

When the People's Court issues a judgment or ruling on the relevant matters, the Company shall, in accordance with the laws, administrative regulations, the rules of the CSRC and the securities regulatory authorities of the place(s) where the Company's shares are listed, fulfill its information disclosure obligations, fully explain the impact, and actively cooperate with the execution after the judgment or ruling becomes effective. Where corrections to prior matters are required, the Company shall promptly address the same and fulfill the corresponding information disclosure obligations.

Article 35 Under any of the following circumstances, a resolution of the shareholders' meeting or the board of directors of the Company shall be invalid:

- (I) the resolution is adopted without holding a shareholders' meeting or meeting of the board of directors;
- (II) the shareholders' meeting or meeting of the board of directors fails to vote on the resolution;
- (III) the number of persons attending the meeting or the number of the voting rights held by them fails to reach the number as prescribed by the Company Law or these Articles of Association;

(IV) the number of persons consenting to the resolution or the number of the voting rights held by them fails to reach the number as prescribed by the Company Law or these Articles of Association.

Article 36 Where the Company incurs loss as a result of violation of the laws, administrative regulations or these Articles of Association by directors other than members of the audit committee and senior management in the course of performing their duties, they shall be liable for compensation. Where any director or senior management is under the preceding circumstance, the shareholders individually or jointly holding 1% or more of the shares of the Company for over 180 consecutive days shall have the rights to request in writing to the audit committee to initiate legal proceedings in the People's Court. Where the Company incurs loss as a result of violation of the laws, administrative regulations or these Articles of Association by members of the audit committee in the course of performing their duties, the aforesaid shareholders shall have the rights to request in writing to the board of directors to initiate legal proceedings in the People's Court.

In the event that the audit committee or the board of directors refuse to file an action upon receipt of the shareholders' written request as required in the preceding paragraph, or fail to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the Company, the shareholder(s) specified in the preceding paragraph may, in their own name, directly file an action to the court for the interest of the Company.

In the event of any other person infringes upon the legitimate rights and interests of the Company and causes losses thereto, the shareholders as mentioned in the first paragraph of this Article may file an action with the People's Court pursuant to the provisions of the preceding two paragraphs.

If the directors, supervisors or senior management of a wholly-owned subsidiary of the Company perform their duties in violation of laws, administrative regulations or the provisions of these Articles of Association of the Company, causing losses to the Company, or if others infringe upon the lawful rights and interests of and cause losses to the wholly-owned subsidiary of the Company, the shareholders who have held, individually or jointly, more than 1% of the shares of the Company for a period of more than 180 consecutive days, may, in accordance with the provisions of the preceding three paragraphs, request in writing the supervisory committee or the board of directors of the wholly-owned subsidiary to file a lawsuit with the People's Court or directly file a lawsuit with the People's Court in its own name.

Article 37 In the event of a director or senior management violates laws, administrative regulations or these Articles of Association, thereby damaging the interests of the shareholder(s), the shareholder(s) may file an action with the People's Court.

Where any director or senior management causes any damage to any other person in the performance of duties, the Company shall be liable for compensation. If any director or senior management is intentional or gross negligent, he/she shall also be liable for compensation.

Where any controlling shareholder or actual controller of the Company instructs any director or senior management to carry out any act damaging the interests of the Company or the shareholders, it shall bear joint liability with the director or senior management.

Article 38 Holders of the shares of the Company shall assume the following obligations:

- (I) to abide by the laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles of Association;
- (II) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (III) not to withdraw the shares unless required by the laws and administrative regulations;
- (IV) not to abuse their shareholders' rights to jeopardise the interests of the Company or other shareholders, and not to abuse the status of the Company as an independent legal entity and the limited liability of shareholders to jeopardise the interests of any creditors of the Company;
- (V) other obligations imposed by the laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's Shares are listed and these Articles of Association.

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

Article 39 A shareholder holding more than 5% of the Company's shares with voting rights pledges any shares in his/her possession shall submit a written report to the Company from the date when he/she pledges his/her shares.

A controlling shareholder or an actual controller who pledges the Company's shares held by him/her or at his/her actual disposal shall maintain the stability of the control of the Company and its production and operation.

Article 40 The controlling shareholder and actual controller of the company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, the rules of the CSRC, and the securities regulatory authorities of the stock exchange where the company's shares are listed, and shall safeguard the interests of the listed company. The controlling shareholder and actual controller of the Company shall comply with the following provisions:

- (I) to exercise shareholder's rights in accordance with the laws, and shall not abuse their controlling rights or use related relationships to harm the rights and interests of the Company or other shareholders;
- (II) to strictly fulfil all public statements and commitments that have been made, and shall not arbitrarily modify or waive them;
- (III) to strictly comply with relevant regulations on information disclosure, actively cooperate with the Company in fulfilling their obligations of information disclosure, and promptly inform the Company of any significant events that have occurred or have been planned;
- (IV) shall not misappropriate any funds of the Company in any form;
- (V) shall not compel, direct, or demand the Company or its personnel to provide illegal guarantees;
- (VI) shall not exploit undisclosed material information of the Company for personal gain, disclose any undisclosed material information related to the Company in any form, or engage in illegal activities such as insider trading, short-swing trading, or market manipulation;
- (VII) shall not harm the rights and interests of the Company and other shareholders through unfair associated transactions, profit distribution, asset restructuring, external investments, or any other means;
- (VIII) to ensure the Company's asset integrity, personnel independence, financial independence, organisational independence, and business independence, and shall not affect the Company's independence in any way;
- (IX) to comply with laws, administrative regulations, the provisions of the CSRC, the rules of the securities regulatory authorities of the place(s) where the Company's shares are listed, and other provisions of these Articles of Association.

If the controlling shareholders and the actual controllers of the Company do not serve as directors but effectively execute the Company's affairs, the provisions of these Articles of Association regarding the fiduciary duties and diligence obligations of directors shall apply. The Company shall comply with the provisions of the Hong Kong Listing Rules and other applicable laws and regulations regarding the protection of minority investors.

Section 2 General Provisions for Shareholder's Meetings

Article 41 Shareholders' meeting of the Company consists of all of its shareholders. The Shareholders' meeting is the body exercising the authority of the Company and shall exercise the following duties and powers in accordance with the law:

- (I) to elect and replace directors and to determine matters relating to the remuneration of the directors;
- (II) to consider and approve the reports of the board of directors;
- (III) to consider and approve the Company's profit distribution plans and loss recovery plans;
- (IV) to make resolutions on increase or reduction of the Company's registered capital;
- (V) to make resolutions on the issuance of corporate bonds;
- (VI) to make resolutions on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- (VII) to amend these Articles of Association;
- (VIII) to resolve on the Company's appointment and dismissal of an accounting firm undertaking the audit business of the Company;
- (IX) to consider and approve the transactions to be decided by the shareholders' meeting as prescribed in these Articles of Association and the rules of procedure for the shareholders' meeting, and to consider and approve the guarantees stipulated by Article 42;
- (X) to consider the issues that the Company purchases or sales material assets within one year exceeding 30% of its latest audited total assets of the Company;
- (XI) to authorise the board of directors to make resolutions on the issuance of shares or bonds convertible into shares on the premise of complying with the relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed;
- (XII) to consider and approve matters relating to the change of use of proceeds;

- (XIII) to consider the share incentive plans and employee stock ownership plans;
- (XIV) to consider transactions (including one-off transactions and a series of transactions that require the aggregation of percentage ratios, but excluding any transactions that are exempt from shareholder approval under the Hong Kong Listing Rules or as approved by the Hong Kong Stock Exchange) where any of the applicable percentage ratios calculated in accordance with the provisions of Rule 14.07 of the Hong Kong Listing Rules reaches twenty-five percent (25%) or more, or any related transactions (including one-off transactions and a series of transactions that require the aggregation of percentage ratios, but excluding any related transactions that are exempt from disclosure or announcement under the Hong Kong Listing Rules or as approved by the Hong Kong Stock Exchange) where any of the applicable percentage ratios reaches five percent (5%) or more.
- (XV) to consider other issues which should be decided by the shareholders' meeting as stipulated by the laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Under the condition of not breaching any relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed, the shareholders' meeting may authorize or entrust the board of directors to handle the matters as authorized or entrusted.

Article 42 The following external guarantees of the Company shall be submitted to the shareholders' meeting for approval after being considered and approved by the board of directors:

- (I) any external guarantee to be provided by the Company or any subsidiary it controls, whose total amount exceeds 50% of the Company's audited net assets in the latest period;
- (II) any guarantee to be provided after the total amount of external guarantees provided by the Company has exceeded 30% of the Company's audited total assets of the latest period;
- (III) the amount guaranteed by the Company within one year exceeds 30% of the Company's total assets audited in the latest period;
- (IV) any guarantee to be provided for an entity whose ratio of liabilities to assets exceeds 70%;
- (V) the amount of any single guarantee exceeds 10% of the Company's net assets audited in the latest period;
- (VI) any guarantee to be provided for any shareholder, actual controller or related party; and
- (VII) other external guarantee matters that shall be decided by the Shareholders' meeting in accordance with the relevant laws and regulations or the securities regulatory rules of the place where the Company's Shares are listed.

Where the shareholders' meeting is considering the guarantee matters under item (III) of the first paragraph of this Article, it is subject to the approval of more than two-thirds of the voting rights held by the shareholders present at the meeting.

Where the shareholders' meeting is considering the guarantee matter under item (VI) of the first paragraph of this Article, the said shareholder or the shareholders controlled by the said actual controller shall abstain from voting. Such matter is subject to the approval of more than half of the voting rights held by the other shareholders present at the meeting.

The board of directors has the right to consider and approve matters of external guarantees other than those to be considered by the shareholders' meeting as stipulated in the preceding paragraph.

If a director and senior management violates a provision on the approval authority or consideration procedure for the provision of security to third parties as specified in laws, regulations and the securities regulatory rules of the place where the Company's Shares are listed or these Articles of Association, thereby causing the Company to sustain a loss, he or she shall be held liable for damages and the Company may institute a legal action against him or her in accordance with the laws.

Article 43 A shareholders' meeting shall either be an annual meeting or an extraordinary meeting. The annual shareholders' meeting shall be convened once a year and be held within six months of the end of the previous fiscal year.

Article 44 The Company shall convene an extraordinary meeting within two months from the occurrence of any of the following circumstances:

- (I) when the number of directors is less than the statutory minimum number stipulated in the Company Law or two-thirds of the number specified in these Articles of Association;
- (II) when the unrecovered losses of the Company amount to one-third of the total paid-in share capital;
- (III) when the shareholders individually or jointly holding 10% or more of the Company's shares make(s) any request in writing;
- (IV) when the board of directors considers it necessary;
- (V) when proposed to hold by the audit committee;

- (VI) when agreed to propose the convening of a meeting by more than half of the Company's independent non-executive directors;
- (VII) any other circumstances stipulated in the laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

The shareholding ratio mentioned in (III) above is calculated based on the Company's shares held by the shareholders on the day when the shareholders submit the written request.

If the extraordinary shareholders' meeting is convened in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed, the actual date of the extraordinary shareholders' meeting may be adjusted in accordance with the relevant rules of the stock exchange where the Company's shares are listed (if applicable).

Article 45 The venue for convening a shareholders' meeting shall be the domicile of the Company or other place as specified in the notice of the shareholders' meeting.

After the notice of the shareholders' meeting is issued, the venue of the shareholders' meeting shall not be changed without justifiable reasons.

A meeting venue shall be set up and the shareholders' meeting shall be convened by way of physical meetings. The Company will also provide internet, video, telephone or other means to facilitate shareholders in participating in the shareholders' meeting under the premise of ensuring that the shareholders' meeting is lawful and effective, and in accordance with the laws, administrative regulations, departmental regulations, and securities regulatory rules of the place where the Company's shares are listed. Any shareholders who participate in the meeting in the aforesaid manner shall be deemed as present.

Article 46 When holding a shareholders' meeting, the Company could engage lawyers with appropriate qualifications to give legal opinions on the following matters and announce such opinions:

- (I) whether the procedures of convening and holding the meeting comply with laws, administrative regulations and these Articles of Association;
- (II) whether the eligibility of the attendees and the convener of the meeting are lawful and valid;
- (III) whether the voting procedure and results of the meeting are lawful and valid;
- (IV) legal opinions issued in respect of other relevant issues at the request of the Company.

Section 3 Convening of Shareholder's Meetings

Article 47 Shareholders' meetings shall be convened by the board of directors, unless otherwise provided by law or by these Articles of Association.

Article 48 Subject to approval of more than half of all independent non-executive directors, the independent non-executive directors shall be entitled to propose to the board of directors to convene an extraordinary shareholders' meeting. The board of directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, furnish a written reply stating whether it agrees or disagrees with the convening of the extraordinary shareholders' meeting within 10 days after receiving such a proposal from the independent non-executive directors.

In the event that the board of directors agrees to convene an extraordinary shareholders' meeting, the notice of the meeting shall be issued within 5 days after the board of directors passes the relevant resolution. In the event that the board of directors does not agree to convene an extraordinary shareholders' meeting, it shall state the reasons and make an announcement.

Article 49 The audit committee shall be entitled to propose to the board of directors to convene an extraordinary shareholders' meeting, and such proposal shall be made in writing. The board of directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, furnish a written reply stating whether it agrees or disagrees with the convening of an extraordinary shareholders' meeting within 10 days after receiving such proposal.

In the event that the board of directors agrees to convene an extraordinary shareholders' meeting, the notice of the meeting shall be issued within 5 days after the board of directors passes the relevant resolution. Any changes to the original proposal made in the notice shall be approved by the audit committee.

In the event that the board of directors does not agree to convene an extraordinary shareholders' meeting or does not furnish any reply within 10 days after receiving such proposal, the board of directors shall be deemed as unable to perform or failed to perform its duty of convening a shareholders' meeting, in which case the audit committee may convene and preside over a shareholders' meeting by itself.

Article 50 Shareholders individually or jointly holding more than 10% of the shares of the Company shall be entitled to request the board of directors to convene an extraordinary shareholders' meeting, and such request shall be made in writing. The board of directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, furnish a written reply stating whether it agrees with the convening of the extraordinary shareholders' meeting within 10 days after receiving such request.

In the event that the board of directors agrees to convene an extraordinary shareholders' meeting, the notice of the meeting shall be issued within 5 days after the board of directors passes the relevant resolution. Any changes to the original request made in the notice shall be approved by the relevant shareholders.

In the event that the board of directors does not agree to convene an extraordinary shareholders' meeting or does not furnish any reply within 10 days after receiving such request, shareholders individually or jointly holding more than 10% of the shares of the Company shall be entitled to propose to the audit committee to convene an extraordinary shareholders' meeting, and such proposal shall be made in writing.

In the event that the audit committee agrees to convene an extraordinary shareholders' meeting, the notice of the meeting shall be issued within 5 days after receiving such request. Any changes to the original request made in the notice shall be approved by the relevant shareholders.

Failure of the audit committee to issue the notice of shareholders' meeting within the prescribed time limit shall be deemed as failure of the audit committee to convene and preside over a shareholders' meeting, and shareholders individually or jointly holding more than 10% of the Company's shares for more than 90 consecutive days are entitled to convene and preside over a shareholders' meeting on their own initiatives.

Article 51 Where the audit committee or shareholders decide(s) to convene a shareholders' meeting on their own initiatives, the board of directors shall be notified in writing.

Prior to announcement on the resolutions passed at the shareholders' meeting, the shareholding of the shareholders convening such meeting shall not be less than 10% (inclusive).

The audit committee and the shareholders convening the meeting shall submit the relevant materials for proof (if required) to the securities supervisory and regulatory authorities in the place of registration of the Company and to the stock exchange in the place where the Company's shares are listed at the time of issuance of notice of the meeting and announcement on the resolutions passed at the meeting in accordance with relevant laws and regulations and the Hong Kong Listing Rules.

Article 52 For the shareholders' meetings convened by the audit committee or shareholders on their own initiatives, the board of directors and its secretary will cooperate. The board of directors shall provide the register of members as at the date of registration of shareholdings.

Article 53 For the shareholders' meetings convened by the audit committee or the shareholders on their own initiatives, the necessary expenses in relation to the meetings shall be borne by the Company.

Section 4 Proposals and Notices of Shareholder's Meetings

Article 54 The content of the proposals shall be within the scope of the terms of reference of the shareholders' meeting, and have clear subjects and specific resolutions, and shall comply with the relevant requirements of the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association. The proposal shall be submitted in writing or delivered to the convener.

Article 55 When the Company convenes a shareholders' meeting, the board of directors, the audit committee, as well as shareholder(s) individually or jointly holding more than 1% of the shares of the Company, shall be entitled to put forward proposals to the Company.

Shareholders individually or collectively holding more than 1% of shares of the Company shall be entitled to propose provisional proposals and submit the same to the convener in writing 10 days prior to date of the shareholders' meeting. Provisional proposals shall have clear agenda and specific resolutions. The convener shall dispatch a supplementary notice of the shareholders' meeting and advise the contents of such provisional proposal, and shall submit the provisional proposals to the shareholders' meeting for consideration within 2 days upon receipt of the proposal, unless the provisional proposal violates the laws, administrative regulations or provisions of these Articles of Association, or does not fall within the scope of the shareholders' meeting. For the issuance of the supplemental notice of the shareholders' meeting, if there are special provisions under the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail, provided that the Company Law and other applicable provisions are not violated. If the securities regulatory rules of the places where the Company's shares are listed requires the shareholders' meeting to be postponed as a result of the supplemental notice, the convening of the shareholders' meeting shall be postponed in accordance with the requirements of such securities regulatory rules.

Other than the circumstances referred to in the preceding paragraph, after the convener issues the notice for the shareholders' meeting, no changes shall be made to the proposals set forth in the notice of the shareholders' meeting and no further proposals shall be added.

The shareholders' meeting shall not vote or resolve on proposals not set forth in the notice of the shareholders' meeting or not in compliance with the requirements of Article 54 of these Articles of Association.

Article 56 The convener will inform each shareholder of the upcoming annual shareholders' meeting in writing (including by way of announcement) 21 days before the meeting, and will inform each shareholder of the upcoming extraordinary shareholder' meeting in writing (including by way of announcement) 15 days before the meeting, unless the notice of this meeting with the consent of all shareholders may not be limited by notice period and notice system.

When calculating the starting date of the "21 days" and the "15 days" aforementioned, the date of the meeting shall be excluded, but the date of the announcement of the meeting shall be included.

Article 57 The notice of a shareholders' meeting shall include the following details:

- (I) the time, venue and duration of the meeting;
- (II) the matters and proposals submitted to be deliberated at the meeting;
- (III) a prominent written statement stating that all shareholders entitled to attend the shareholders' meeting and appoint a proxy by written to attend and vote, and such proxy need not be a shareholder of the Company;
- (IV) the date of registration of shareholdings of shareholders who are entitled to attend the shareholders' meeting;
- (V) the name and phone number of the standing contact person of the meeting;
- (VI) the time and procedures of voting online or through other means.

Adequate and complete disclosure of all the specific details of the proposals shall be made in the notice and supplemental notice of a shareholders' meeting. If opinions of the independent non-executive directors are required for the proposed matters to be discussed, the notice of shareholders' meeting or supplemental notices shall also disclose such opinions and their reasons.

Where a shareholders' meeting is to be convened via the internet or in any other manner, the notice of the shareholders' meeting shall clearly state the time and procedure of voting via the internet or any other manner.

The interval between the date of registration of shareholdings and the meeting shall not be more than 7 business days. The date of registration of shareholdings cannot be changed once determined.

Article 58 If the election of directors is proposed to be discussed in the shareholders' meeting, the notice of the shareholders' meeting shall adequately disclose the detailed profiles of the candidates for directors, which should include at least the following:

- (I) if there are any circumstances in which the candidates are not allowed to be nominated as directors; whether they possess the qualifications required by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association;
- (II) personal information such as educational background, work experience, concurrent positions;
- (III) whether they are connected with the Company, the controlling shareholders or actual controllers of the Company;
- (IV) the number of shares held in the Company;
- (V) whether they have been punished by the CSRC or other relevant authorities or been reprimanded by a stock exchange;
- (VI) the information required to be disclosed under the Hong Kong Listing Rules in relation to the new appointment, re-election or re-designation of directors.

Each candidate for director shall be proposed by way of a separate proposal, except for those elected through a cumulative voting system.

Article 59 After the notice of shareholders' meeting is issued, the shareholders' meeting shall not be postponed or cancelled without a proper reason, and the proposals stated in the notice of shareholders' meeting shall not be cancelled. In the event of postponement or cancellation, the convener shall make an announcement and explain the reason in accordance with the laws, regulations and the securities regulatory rules of the place where the Company's shares are listed. If the shareholders' meeting is postponed, the convener shall announce the postponed date in the notice. If there are special provisions under the securities regulatory rules of the places where the Company's shares are listed regarding the procedures for postponing or canceling shareholders' meetings, the provisions shall prevail provided that they do not violate the domestic regulatory requirements.

Section 5 Holding of Shareholder's Meetings

Article 60 The board of directors of the Company and other conveners shall take all necessary measures to ensure that the shareholders' meeting is conducted in an orderly manner. For conduct which interrupts the shareholders' meeting, provokes troubles, and infringe the legitimate rights of the shareholders, the Company shall take measures to stop the conduct and shall report such to the relevant authorities in a timely manner for their investigation.

Article 61 All shareholders in the register as at the date of registration of shareholdings or their proxies shall be entitled to attend the shareholders' meeting, and to speak and exercise their voting rights at the meeting pursuant to the relevant laws, administrative regulations, departmental regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association (unless individual shareholders are required to waive their voting rights on certain matters under the securities regulatory rules of the places where the Company's shares are listed).

A shareholder may attend, speak and vote at the shareholders' meeting in person or by proxy. A proxy does not need to be a shareholder of the Company. If a shareholder is a recognized clearing house (or its agent) as defined from time to time by the relevant ordinances of Hong Kong formulated from time to time, the shareholder may authorize its corporate representative or one or more persons it deems appropriate to act as its agent at any shareholders' meeting.

Article 62 Individual shareholders attending a shareholders' meeting in person shall present their identity cards or other valid identity documents or proof. In the case of attending by proxies, the proxies shall present valid identity documents, the proxy forms from the shareholders and a copy of the appointing shareholder's valid identity documents.

Where a shareholder is a legal entity, its legal representative or a proxy entrusted by such legal representative shall attend the meeting. If the meeting is attended by the legal representatives, they shall produce their identity cards and valid proof of their status as legal representatives; if the meeting is attended by proxies, such proxies shall present their identity cards and the written authorisation letter legally issued by the legal representative of the legal entity shareholder (except for shareholders who are recognized clearing houses or their proxies).

Article 63 Any shareholder entitled to attend and vote at a shareholders' meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf.

The proxy form for appointing a proxy to attend the shareholders' meeting issued by a shareholder shall include the following information:

- (I) the name of the appointor and the type and number of shares he/she holds;
- (II) the name of the proxy;
- (III) the specific instructions of the shareholder to vote in favor of, vote against, or abstain on each proposal on the agenda of the shareholders' meeting;
- (IV) the issuing date and validity period of the power of attorney;
- (V) signature of the appointing shareholder or proxy entrusted in writing. If the appointing shareholder is a legal entity, the seal of the legal entity shall be affixed or it shall be signed by its director or a duly authorised agent or officer.

Article 64 The proxy form shall state whether the proxy may vote as he/she thinks fit in the absence of concrete instructions from the shareholder.

Article 65 Where a proxy form for appointing a voting proxy is signed by a person authorized by the appointing shareholder, the authorization letter or other authorization documents shall be notarized. Subject to the relevant laws, regulations and regulatory rules of the place where the shares of the Company are listed, the proxy form for appointing a voting proxy, notarized authorization letter or other authorization documents and the proxy form shall be kept at the domicile of the Company or at such other places as designated in the notice of the meeting before the relevant meeting or within the time period specified by the Company.

If the shareholder is a recognized clearing house (or its agent), such shareholder shall be entitled to authorize one or more persons it thinks fit to act as its proxy at any shareholders' meeting or creditors' meeting. However, if more than one person is appointed as proxies, the proxy form shall clearly state the number and the class of shares represented by each of the proxies. The proxy forms shall be signed by the person authorized by the recognized clearing house. The proxies so appointed may represent the recognized clearing house (or its agent) in exercising its rights (without being required to present share certificate, certified proxy forms and/or further evidence to prove due authorization), and shall be entitled to the legal rights equivalent to those of the other shareholders, including the right to speak and vote, as if that proxy is an individual shareholder of the Company.

Article 66 A register for attendees at the meeting shall be compiled by the Company, which shall contain, among others, the name of the attendee (or the name of the organization), identity card number residential address, the number of shares with voting rights held or represented by the attendee and name of the person (or the name of the organization) who attends the meeting by proxy.

Article 67 The convener and the lawyers engaged by the Company shall verify the legitimacy of the eligibility of the shareholders based on such register of shareholders provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the number of shares with voting rights that are held by them. The registration for the meeting shall be completed before the chairman 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 68 Where the shareholders' meeting requests the directors and senior management to attend the meeting, the directors and senior management shall attend the meeting and accept the inquiries of the shareholders.

Article 69 The shareholders' meeting shall be presided over by the chairman of the board of directors. If the Chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director elected by more than half of the directors.

If the shareholders' meeting is convened by the audit committee, it shall be presided over by the convener of the audit committee. If the convener of the audit committee is unable or fails to perform his/her duties, one member of the audit committee shall be elected by more than half of the members of the audit committee to preside over the meeting.

If the shareholders' meeting is convened by the shareholders themselves, the convener or a representative elected by the convener shall preside over the meeting. If for any reason, the conveners fail to elect a representative to preside over the meeting, the shareholder (including his/her proxy) holding the largest number of voting shares among the conveners shall be the chairman of the meeting to preside over such meeting.

When the chairman of the shareholders' meeting violates the rules of procedure when holding the meeting and as a result, the shareholders' meeting is unable to continue, subject to the consent of the shareholders with more than half of voting rights of all the shareholders attending the shareholders' meeting, the shareholders' meeting may nominate a person to act as the chairman of the meeting and such meeting may continue.

Article 70 The Company shall formulate the rules of procedure for the shareholders' meeting which shall set out in details the convening and voting procedures of a shareholders' meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, meeting minutes and their signing, announcements and other contents, and the principles of authorization to the board of directors at the shareholders' meeting. The authorization shall be clear and specific. The rules of procedure for the shareholders' meeting shall be prepared by the board of directors and approved at the shareholders' meeting, and shall be appended to these Articles of Association.

Article 71 In the annual shareholders' meeting, the board of directors shall report to the shareholders' meeting their work done in the past year. Each independent non-executive director shall also present a work report.

Article 72 Directors and members of the senior management shall explanation in relation to the enquiries and suggestions from the shareholders during the shareholders' meeting, except for those involving trade secrets of the Company that cannot be publicized.

Article 73 The chairman of the meeting shall, prior to voting, declare the number of shareholders and proxies attending the meeting as well as the total number of their voting shares, which shall conform to the meeting' registration.

Article 74 The shareholders' meeting shall have minutes prepared by the secretary of the board of directors.

Minutes shall record the following information:

- (I) time, venue and agenda of the meeting and name of the convener;
- (II) the name of the chairman of the meeting and the names of the directors, general manager and other members of the senior management present at the meeting;
- (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 consideration process, summaries of speeches and voting result for each proposal;
- (V) the shareholders' questions, opinions or suggestions and the corresponding answers or explanations;
- (VI) names of the lawyer, vote counters and scrutinizer;
- (VII) other contents to be recorded in the minutes as considered by the board of directors or specified in these Articles of Association.

Article 75 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, secretary of the board of directors, conveners or their representatives and the chairman of the meeting (whether present or in attendance) shall sign on the minutes. The minutes of the meeting shall be kept together with the attendance record of the attending shareholders, letters of authorization of proxies, valid information of online voting and voting by other means, for a period of not less than 10 years.

Article 76 The convener shall ensure that the shareholders' meeting is conducted continuously until final resolutions are made. In the event that the shareholders' meeting is adjourned or resolutions failed to be reached due to an event of force majeure or other special reasons, necessary measures shall be taken to resume the meeting as soon as possible or terminate that meeting, and an announcement shall be timely made accordingly. At the same time, the convener shall report to the CSRC branch at the location of the Company and the stock exchange of the place where the Company's shares are listed.

Section 6 Voting and Resolutions at Shareholder's Meetings

Article 77 Resolution of a shareholders' meeting shall be divided into ordinary resolutions and special resolutions.

Ordinary resolutions shall be passed by votes representing more than half of the voting rights held by shareholders attending the shareholders' meeting.

Special resolutions shall be passed by votes representing more than two-thirds of the voting rights held by shareholders attending the shareholders' meeting.

Article 78 The following issues shall be approved by ordinary resolutions at a shareholders' meeting:

- (I) work reports of the board of directors;
- (II) plans drafted by the board of directors of earnings distribution and loss make-up schemes;
- (III) appointment or dismissal of the members of the board of directors, and their remunerations and payment methods;
- (IV) annual reports of the Company;
- (V) appointment or dismissal of accounting firms by the Company, and the determination of their payment;

- (VI) associated transaction that the Company intends to carry out with related party exceeding RMB 30 million and accounting for more than 5% of the absolute value of the Company's latest audited net assets;
- (VII) amendment to the investment projects of raised funds;
- (VIII) other matters other than those to be approved by special resolutions stipulated in the laws, administrative regulations, securities regulatory rules of the place where the Company's Shares are listed or these Articles of Association.

Article 79 The following issues shall be approved by special resolutions at a shareholders' meeting:

- (I) increase or reduction in the share capital of the Company;
- (II) division, split, merger, dissolution or liquidation (including voluntary liquidation) of the Company;
- (III) amendment to these Articles of Association;
- (IV) significant assets purchased or disposed or the guarantee amount provided to others by the Company within one year exceeding 30% of the Company's latest audited total assets;
- (V) share equity incentive plans or employee stock ownership plans;
- (VI) other matters stipulated by the laws, administrative regulations, securities regulatory rules of the place where the Company's Shares are listed or these Articles of Association and those, according to an ordinary resolution of the shareholders' meeting, may have a significant impact on the Company and require adoption by means of a special resolution.

Article 80 Shareholders exercise voting power with the number of voting shares represented by them, and each share has one vote, except as otherwise provided by laws, administrative regulations, departmental regulations, normative documents and securities regulatory rules of the place where the Company's Shares are listed. On a poll, shareholders (including their proxies) with two or more votes are not required to cast all their votes as affirmative, negative or abstention votes.

The shares held by the Company itself have no voting rights, and such shares shall not be counted in the total number of voting shares upon attendance at a shareholders' meeting.

If the shareholder's purchase of the voting shares of the Company violates paragraphs 1 and 2 of Article 63 of the Securities Law, voting rights of the shares in excess of the prescribed proportion shall not be exercisable within 36 months after the purchase and shall not be included in the total number of voting shares present at the shareholders' meeting.

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

The board of directors, independent non-executive directors and shareholders holding more than 1% of the voting shares or the investor protection institutions established in accordance with the laws, administrative regulations or the regulations of the CSRC may publicly solicit shareholders' voting rights. The solicitors shall make sufficient disclosure of the information such as their voting preference to the shareholders from whom the voting rights are being solicited. Where shareholders' rights are solicited in accordance with the preceding paragraph, the soliciting person shall disclose the solicitation documents and the Company shall cooperate. Solicitation of voting rights of shareholders involving compensation or disguised compensation shall be prohibited. The Company shall not impose any limitation in respect of the minimum shareholding ratio on the solicitation of voting rights except as required by law.

When a related transaction is considered at a shareholders' meeting, the related shareholders may make appropriate statements on the transaction, but shall not participate in the voting of the transaction, and the voting shares represented by them shall not be counted in the total number of valid voting shares. The related transaction shall be voted on by the non-related shareholders present at the meeting, and the approval shall be passed by a majority of the valid voting rights in favour of the related transaction, or if the transaction falls within the scope of a special resolution, by more than two-thirds of the valid voting rights. The announcement of any resolution made at the shareholders' meeting shall adequately disclose information relating to voting by non-related shareholders.

The abstaining and voting procedures for connected shareholders are as follows:

- (I) the board of directors shall make judgment on whether the relevant matters to be submitted to the shareholders' meeting for consideration constitute the connected transactions in accordance with the provisions of relevant laws, administrative regulations and departmental regulations. In making such judgment, the number of shares held by shareholders shall be the same as the date of registration of shareholdings;
- (II) if, in the judgment of the board of directors, the relevant matters to be submitted to the shareholders' meeting for consideration constitute the connected transactions, the board of directors shall notify the connected shareholders in writing;

- (III) the board of directors shall finish the work specified above before giving the notice of the shareholders' meeting, and inform all the shareholders in the notice of the shareholders' meeting of the result of such work;
- (IV) when the shareholders' meeting votes on the connected transactions, after deducting the number of voting shares represented by the connected shareholders, the non-connected shareholders present at the shareholders' meeting shall vote in accordance with these Articles of Association;
- (V) if there are special circumstances where the connected shareholders cannot abstain, the voting can be conducted in accordance with the normal procedures after the Company has obtained an approval from the competent authority, and detailed explanations shall be given in the resolution of the shareholders' meeting.

Article 81 Unless the Company is in a crisis or under any special circumstance, the Company shall not enter into any contract with any person other than the directors, general manager and other senior management whereby the management of the whole or any substantial part of the business of the Company is to be handed over to such person without the approval of the shareholders' meeting by way of a special resolution.

Article 82 The list of candidates for directors shall be submitted as a proposal to the shareholders' meeting for voting.

When a voting is carried out on the election of directors at a shareholders' meeting, the cumulative voting system may be adopted in accordance with the requirement of these Articles of Association or the resolutions of the shareholders' meeting. When two or more independent non-executive directors are elected at a shareholders' meeting, the cumulative voting system shall be implemented. Where a single shareholder and parties acting in concert with him/her/it hold equity interests of 30% or above, the cumulative voting system shall be adopted. Before votes are cast on the candidates for directors at the shareholders' meeting by adopting the cumulative voting system, the chairman of the shareholders' meeting shall definitely inform the shareholders present that the cumulative voting method shall be adopted for the election of directors, and the secretary of the board of directors shall specify and explain the cumulative voting method, ballot filling method and other specific operations.

The cumulative voting system referred to in the preceding paragraph means that when directors are being elected during a shareholders' meeting, each share shall carry the same number of voting rights as the number of directors to be elected, and the voting rights held by shareholders may be used collectively. That is, each valid voting share held by the shareholders shall represent the same number of votes as the total number of the directors to be elected at the shareholders' meeting, and the votes held by a shareholder is equal to the number of shares he/she holds multiplied by the total number of the directors to be elected. A shareholder may vote for one candidate for directors with all his/her voting rights, or may exercise their voting rights separately and vote for several candidates for directors. The elected candidates shall be determined based on the final number of votes cast for the candidates. In the execution of the cumulative voting system, voting shareholders must indicate on one ballot all the directors they elect, and after each director they elect, the number of votes they use. If the total number of votes used by such shareholder on the ballot exceeds the total number of votes legally owned by such shareholder, the ballot will be invalid.

The board of directors shall announce the biography and basic information of the candidates for directors to shareholders. Candidates for directors shall possess the qualifications for appointment as required by laws, regulations and the stock exchange where the Company's shares are listed, as well as the professional competence and knowledge appropriate for the performance of their duties.

The methods and procedures for nomination of candidates for directors are as follows:

- (I) the incumbent board of directors, and the shareholders individually or collectively holding over 1% of the Company's shares may nominate candidates, without exceeding the number of persons to be elected, for the position of director for the next session of the board of directors or additional candidates for the position of director who are not employee representatives. The incumbent board of directors shall conduct a review on qualifications. The qualified directors shall be submitted by the board of directors to the shareholders' meeting for voting. The employee representative directors shall be democratically nominated and elected through the employee representatives' meeting, employee meeting or other forms, and shall directly sit on the board of directors.
- (II) the incumbent board of directors, and the shareholders individually or collectively holding over 1% of the Company's shares may submit proposals for nomination of candidates for independent non-executive directors to the shareholders' meeting. The incumbent board of directors shall conduct a review on qualifications. The qualified independent non-executive directors shall be submitted by the board of directors to the shareholders' meeting for voting.

The board of directors shall disclose detailed information about the candidates for directors prior to the convention of the shareholders' meeting. Candidates for directors shall, prior to the convention of the shareholders' meeting, make a written undertaking that they agree to accept the nomination, undertake that the information publicly disclosed about the candidates for directors is true and complete, and guarantee that they will earnestly perform their duties after being elected.

Article 83 Save for those considered under the cumulative voting system, the shareholders' meeting shall vote on all proposals one by one. If there are different proposals for the same matter, such proposals shall be voted on in the order of time at which they are raised. Unless the shareholders' meeting is adjourned or no resolution is passed for special reasons such as force majeure, no proposal shall be set aside or refrained from voting at the shareholders' meeting.

Article 84 When a proposal is considered at a shareholders' meeting, no amendments shall be made thereto, and if such amendments are made, any changes made thereto shall be considered as a new proposal, and no voting shall be carried out on that proposal at that shareholders' meeting.

Article 85 The same voting right may only be exercised once at a shareholders' meeting, either by on-site voting, online voting or other methods of voting. In the event of multiple casting of the same vote, only the first casting of such vote shall be counted as valid.

Article 86 Voting at shareholders' meetings shall be carried out with open ballot.

Article 87 Before the relevant proposal is voted on at a shareholders' meeting, two representatives from the shareholders shall be elected for counting the votes and scrutinizing the poll. Shareholders who are connected with the matter under consideration and their proxies shall not count the votes and scrutinize the poll.

When a proposal is voted on at the shareholders' meeting, the lawyers and the representatives of the shareholders shall be jointly responsible for counting the votes and scrutinizing the poll, and the voting results shall be announced right at the meeting. The voting results of such proposal shall be recorded in the minutes of the meeting.

The shareholders or their proxies who vote online or by other means shall be entitled to verify their voting results in the corresponding voting system.

Article 88 The on-site shareholders' meeting shall not be concluded earlier than the online meeting or that held by other means, and the chairman of the shareholders' meeting shall announce the voting results of each proposal and whether a proposal is passed according to the voting results.

Before the voting results are officially announced, the Company, the persons responsible for counting the votes and scrutinizing the poll, substantial shareholders, internet services provider and other relevant parties involved in the on-site shareholders' meeting, online meeting or that held by other means shall be under an obligation to keep the voting results strictly confidential.

Article 89 Shareholders attending the shareholders' meeting, in addition to being required to abstain from voting, shall provide one of following opinions on the proposals to be voted on: for, against or abstain, except for the securities registration and clearing institution which, as the nominal holder of shares under the Stock Connect mechanism between mainland and Hong Kong stock markets, makes declaration according to the intentions of actual holders.

Unfilled, incorrectly filled, illegible or uncast votes will be regarded as the voters having given up their voting rights and the voting results of the shares held by them shall be counted as "abstention".

Article 90 Where the chairman of the meeting has any doubt as to the voting result of a resolution submitted for voting, he/she may demand the votes to be recounted. If the chairman of the meeting does not have the votes recounted, any shareholder or proxy attending the meeting who disagrees with the result announced by the chairman of the meeting may request the votes to be recounted immediately after the announcement of the voting result, and the chairman of the meeting shall arrange for the votes to be recounted immediately.

If votes are recounted at the shareholders' meeting, the recounting result shall be recorded in the minutes of the meeting.

Article 91 Resolutions of the shareholders' meeting shall be announced in a timely manner in accordance with the relevant laws, regulations, the securities regulatory rules of the places where the Company's shares are listed, and the provisions of these Articles of Association. The announcement shall contain the number of the shareholders and proxies attending the meeting, the number of voting shares held by them and the proportion to the total number of voting shares of the Company, the voting method, the voting result of each resolution and the details of each resolution passed.

Article 92 If a resolution is not passed, or the shareholders' meeting alters a resolution passed at the previous shareholders' meeting, a special note shall be made in the announcement of the resolutions of the shareholders' meeting.

Article 93 Where a resolution in relation to the election of directors is passed at the shareholders' meeting, the term of office of the new directors shall commence from the date specified in the relevant election resolution. If the relevant election resolution does not specify the commencement date of the term of office of the new directors, the commencement date of the term of office of the new directors shall be the date on which the resolution is passed at the shareholders' meeting or the date specified in the resolution of the shareholders' meeting.

Article 94 Where a resolution in relation to the payment of cash dividends, the issue of bonus shares or the capitalization of capital reserves is passed at the shareholders' meeting, the Company shall implement the specific plans within two months after the conclusion of such shareholders' meeting. If the specific plan cannot be implemented within two months due to the provisions of laws and regulations and the securities regulatory rules of the places where the Company's shares are listed, the implementation date of the specific plan may be adjusted in accordance with such regulations and the actual situation.

CHAPTER V BOARD OF DIRECTORS

Section 1 Directors

Article 95 Directors of the Company may include executive directors, non-executive directors and independent non-executive directors. Non-executive directors refer to directors who do not hold operational management positions in the Company, and independent non-executive directors refer to persons who are independent and do not have any relationship with the Company and its substantial shareholders that may prevent them from exercising independent and objective judgments.

Article 96 Directors of the Company shall be natural persons, who are not required to hold shares in the Company. None of the following persons may serve as a director of the Company:

- (I) persons without civil capacity or with limited civil capacity;
- (II) persons who have been convicted of an offense of bribery, corruption, embezzlement, misappropriation of property, or the destruction of socialist market economy order; or who has been deprived of his political rights due to his/her crimes, in each case where less than five years have elapsed since the date of completion of the sentence. If he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension of sentence;
- (III) persons who were former directors, factory directors or managers of a company or enterprise bankrupt and liquidated and were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;
- (IV) persons who were legal representatives of a company or enterprise which had its business licence revoked and operation ordered to close due to violation of the laws and were personally liable, where less than three years have elapsed since the date of the revocation of business licence or the order for closure;

- (V) persons who are listed as a dishonest person subject to enforcement by the People's Court due to his/her failure to pay off a relatively large amount of due debts;
- (VI) persons who are prohibited from entering into the securities market by the CSRC for a period which has not yet expired;
- (VII) persons who have been publicly identified by the stock exchange as unfit to serve as a director or senior executive of a listed company, and the designated period has not yet expired;
- (VIII) other persons specified by the laws, administrative regulations, departmental regulations or listing rules of the place where the Company's shares are listed.

Where a director is elected or appointed in violation of this Article, the election, appointment or engagement shall be invalid. Where a director falls under the circumstance of this Article during his or her tenure, the Company shall dismiss him or her from office and cease his/her performance of duties.

Article 97 Directors shall be elected or replaced by the shareholders' meeting, and shall be released of his/her duties by the shareholders' meeting before the expiration of the term of office. The term of office of a director shall be three years. Upon the expiration of the term of office, a director shall be eligible for re-election and re-appointment in accordance with the provisions of the securities regulatory rules of the places where the Company's shares are listed. However, the consecutive term of office of an independent non-executive director shall not exceed nine years. Any director can be removed before the expiration of his/her term of office by an ordinary resolution passed at a shareholders' meeting, subject to full compliance with the relevant laws and administrative regulations, departmental regulations, normative documents and the provisions of the listing rules of the stock exchange of the place where the Company's shares are listed, provided that no claim arising under any contract shall be affected by such removal.

The term of office of a director shall commence from the date on which the said director assumes office to 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 correspondingly on a timely basis, the original director shall continue to perform his/her duties as a director in accordance with the provisions of laws, administrative regulations, departmental regulations and these Articles of Association until the incoming director assumes his/her position.

A director appointed by the board of directors to fill a casual vacancy or as an addition to the board of directors shall hold office for a term commencing from the date on which the said director assumes office until the first annual shareholders' meeting after his/her appointment, and shall then be eligible for re-election.

General manager or other senior management may concurrently serve as a director, provided that the aggregate number of directors who concurrently serve as general manager or other senior management and directors who are employee representatives shall not exceed one-half of the total number of directors of the Company.

The Company currently does not have directors who are employee representatives.

Article 98 Directors shall faithfully perform fiduciary obligations to the Company and should take measures to avoid any conflict between their own interests and the interests of the Company, and should not use their powers to gain an improper advantage.

Directors owe a duty of diligence to the Company and shall exercise the reasonable care normally expected of a manager in the best interests of the Company during the performance of their duties.

Article 99 A director shall comply with the provisions of laws, administrative regulations and these Articles of Association and has the following fiduciary obligations to the Company:

- (I) not to expropriate the Company's assets or misappropriate the Company's funds;
- (II) not to deposit the assets or funds of the Company into an account opened in his/her own name or the name of another individual;
- (III) not to exploit his position to accept bribes or to obtain other illegal income;
- (IV) not to enter into any contract or transaction with the Company directly or indirectly unless it has been reported to the board of directors or the shareholders' meeting and duly approved by a resolution of the board or the shareholders' meeting in accordance with the provisions of these Articles of Association;
- (V) not to take advantage of his/her position to seek for himself/herself or others any business opportunity that belongs to the Company, unless such opportunity has been reported to the board of directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or the Company is legally or contractually unable to pursue such business opportunity under applicable laws, administrative regulations or these Articles of Association;
- (VI) not to operate for themselves or for others any business which competes with that of the Company, except where they have reported to the board of directors or the shareholders' meeting and obtained approval through a resolution of the shareholders' meeting;
- (VII) not to accept for themselves any commissions from transactions between others and the Company;

- (VIII) not to disclose the secrets of the Company without consent, not to disclose material information that has not yet been disclosed, or not to use inside information to obtain illegal benefits, and to perform the non-compete obligations agreed with the Company after leaving the Company;
- (IX) not to make use of their associated relationship to harm the interests of the Company;
- (X) to safeguard the interests of the Company and all Shareholders, and not to harm the interests of the Company for the interests of the actual controllers, shareholders, employees, himself/herself or other third parties;
- (XI) to be bound by other fiduciary obligations stipulated by the laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Any gain arising from the breach of the provisions of this Article by the director shall belong to the Company. He/she shall be liable for compensation for any loss of the Company arising therefrom.

The provisions of Paragraph 2(IV) of this Article shall apply to the conclusion of contracts or transactions with the Company by close relatives of directors and senior management, enterprises directly or indirectly controlled by directors, senior management or their close relatives, as well as related persons with whom directors and senior management have other related relationships.

Article 100 A director shall comply with the laws, administrative regulations and these Articles of Association and shall perform the following duties of diligence to the Company:

- (I) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure the Company's commercial acts in compliance with laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business licence;
- (II) to treat all shareholders equally;
- (III) to understand the business operation and management of the Company in a timely manner and report relevant issues and risks to the board of directors in a timely manner, and not to claim exemption from liability on the grounds that he/she is not familiar with the Company's business or does not understand relevant matters;

- (IV) to sign written confirmation on regular reports of the Company and to ensure the integrity, accuracy and completeness of the information disclosed by the Company; If a director is unable to guarantee the authenticity, accuracy, or completeness of the securities issuance documents or periodic reports, or has any objections, the director shall express his opinion and state the reasons in the written confirmation, and the Company shall disclose such information. If the Company fails to disclose it, the director may directly apply for disclosure;
- (V) to provide relevant information and materials to the audit committee truthfully and not to intervene the performance of the audit committee of their duties and powers;
- (VI) to ensure that there is sufficient time and energy to participate in the affairs of the Company, and prudently judge the risks and benefits that may arise from the matters under consideration; to attend the meetings of the board of directors in person in principle, and if other directors are authorised to attend on his/her behalf for any reason, the trustee shall be carefully selected, and the authorisation matters and decision-making intentions shall be specific and clear, and shall not be fully delegated;
- (VII) to actively promote the standardised operation of the Company, to urge the Company to fulfil its information disclosure obligations, to correct and report the Company's violations in a timely manner, and to support the Company to fulfil its social responsibilities;
- (VIII) to perform their duties prudently in accordance with the principle of business judgment, and fully safeguard the interests of the Company and all shareholders in business activities;
- (IX) to perform other duties of diligence stipulated by the laws, administrative regulations, departmental regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 101 A director who fails to attend two consecutive meetings of the board of directors in person without authorizing another director to attend on his behalf, shall be deemed to be unable to perform his duties. The board of directors shall propose to the shareholders' meeting to remove such director.

Article 102 A director may resign prior to expiry of his/her tenure. A resigning director shall submit a written resignation report to the Company, and the resignation shall become effective on the date the Company receives the resignation report. The Company shall disclose the relevant information within 2 days.

Where the number of members of the board of directors falls below the quorum due to the resignation of any director, or the number of independent non-executive directors falls below one-third of the number of members of the board of directors or absence of accounting professionals in the independent non-executive directors due to the resignation of independent non-executive directors, the resignation of such director shall not take effect until the successor fills the vacancy arising from his/her resignation. The original director shall, before the newly-elected director assumes his post, carry out duties as a director in accordance with the laws, administrative regulations, departmental regulations and these Articles of Association.

Article 103 The shareholders' meeting may remove any director by a resolution, which shall come into effect from the date on which such resolution is made.

Article 104 The Company shall set up a management system for the resignation of directors, clearly specifying measures to ensure accountability and compensation concerning public commitments which have not been completed and other uncovered matters. When a director's tender of resignation takes effect or his term of office expires, he shall duly complete all handover procedures with the board of directors. His fiduciary duties towards the Company and shareholders will not necessarily cease after the expiry of his term of office and will remain valid for a reasonable period of time as provided in these Articles of Association. The responsibility of a director due to performance of his/her duties during the term of office will not terminate or be discharged due to leave of office. His/her obligation to keep trade secrets of the Company confidential shall remain effective after the expiry of his term of office until such secrets become public information. The specific period of time during which a director's fiduciary duties are assumed after the effective date of resignation or expiration of the term of office is one year from the effective date of resignation or expiration of the term of office. The period that other duties shall continue shall be determined according to the principle of fairness, and depending on the length of time lapsed between the event occurred and the termination of tenure as well as the circumstances and terms under which his relationships with the Company has been terminated.

Article 105 The shareholders' meeting may resolve to remove a director. The removal takes effect on the date of the resolution made.

If, without proper reason, a director is removed before expiry of term of office, he/she may request compensation from the Company.

Article 106 Unless provided for under these Articles of Association or legally authorized by the board of directors, no director may act in his own capacity on behalf of the Company or the board of directors. When a director acts in his own capacity and a third party would reasonably believe that the director is acting on behalf of the Company or the board of directors, the director shall declare his position and capacity in advance.

Article 107 Where a director causes damage to others in the performance of his duties, the Company shall be liable for compensation. Where the director commits intentional or gross negligence, he shall also be liable for compensation.

If a director violates laws, administrative regulations, departmental regulations, securities regulatory rules of the places where the shares of the Company are listed or the provisions of these Articles of Association when performing his duties and causes losses to the Company, he shall be liable for compensation. A director in office shall be liable for compensation for any loss caused to the Company by his/her leaving office without authorization or failing to perform his duties.

Article 108 The independent non-executive directors shall be subject to the relevant provisions of the laws, administrative regulations, departmental regulations, the CSRC and the stock exchanges of the places where the Company's shares are listed. An independent non-executive director may tender his/her resignation before the expiration of his/her term of office. If the resignation of an independent non-executive director results in the number of independent non-executive directors falling below one-third of the number of members of the board of directors, or if the requirements stipulated by the regulatory rules of the place where the Company's shares are listed are not met, the original independent non-executive director shall continue to perform his/her duties as an independent non-executive director in accordance with the provisions of laws, administrative regulations, departmental regulations and these Articles of Association until the newly elected independent non-executive directors assume their positions. If at any time the Company's independent non-executive directors do not meet the requirements stipulated by the regulatory rules of the place where the Company's shares are listed, the Company shall make an announcement and rectify the situation as required by the regulatory authorities or regulatory rules of the place of listing.

Section 2 Board of Directors

Article 109 The Company shall have a board of directors, which shall be accountable to the shareholders' meeting.

Article 110 The board of directors shall consist of eight directors, including three independent non-executive directors, and one chairman. The independent non-executive directors shall include at least one person who has appropriate accounting or related financial management expertise, or appropriate professional qualifications as referred to in the Hong Kong Listing Rules.

Article 111 The board of directors shall exercise the following functions and powers:

- (I) convene shareholders' meetings and submit work reports to the shareholders' meetings;
- (II) implement resolutions of the shareholders' meetings;
- (III) determine the business plans and investment plans of the Company;
- (IV) formulate the Company's profit distribution plan and loss recovery plan;
- (V) formulate plans for the Company for increase or reduction of registered capital, issuance of bonds or other securities, and listing;
- (VI) formulate plans for major acquisitions of the Company, repurchase of the Company's shares, or plans for merger, division, dissolution and change of corporate form;
- (VII) within the scope authorized by the shareholders' meeting, decide on matters such as the Company's external investment, acquisition and sale of assets, asset pledges, external guarantees, entrusted financial management, connected transactions and external donations;
- (VIII) decide on the establishment of the Company's internal management body;
- (IX) decide on the appointment or dismissal of the Company's general manager and secretary of the board of directors, and decide on the matters in relation to their remuneration, rewards and punishments; decide on the appointment or dismissal of the Company's vice general manager, finance officer (chief financial officer) and other members of the senior management based on the nomination of the general manager, and decide on matters in relation to their remuneration, reward and punishment;
- (X) formulate the Company's basic management system;
- (XI) formulate proposed amendments to these Articles of Association;
- (XII) manage the Company's information disclosure matters;
- (XIII) make proposal to the shareholders' meeting on the engagement or change of the accounting firm performing audits for the Company;
- (XIV) listening to the work reports from the general manager of the Company and review the work of the general manager;

- (XV) to consider and approve (1) all share transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) where the percentage ratios calculated pursuant to the percentage ratio requirement under Rule 14.07 of the Hong Kong Listing Rules are less than five percent (5%) and the consideration includes the shares to be issued for listing, (2) any discloseable transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) where the applicable percentage ratios are five percent (5%) or more but all are less than twenty five percent (25%), or (3) any partially exempt connected transactions and non-exempt connected transactions (including one-off transactions and a series of transactions requiring a series of transactions requiring a combined percentage ratio, but excluding any connected transactions exempt from disclosure or announcement under the Hong Kong Listing Rules or approved by the Hong Kong Stock Exchange) where any one of the percentage ratios (other than the profit ratio) calculated pursuant to the percentage ratio requirement under Rule 14.07 of the Hong Kong Listing Rules amounts to 0.1 percent (0.1%) or more but less than five percent (5%);
- (XVI) consider matters that shall be decided by the board of directors as provided by laws, administrative regulations, departmental regulations, securities regulatory rules of the places where the Company's shares are listed or these Articles of Association;
- (XVII) other powers conferred by laws, administrative regulations, departmental regulations, securities regulatory rules of the places where the Company's shares are listed or these Articles of Association or the shareholders' meeting.

The limitation of the functions and powers of the board of directors in these Articles of Association shall not be against a bona fide counterpart.

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

Article 112 The board of directors of the Company shall ensure the timely disclosure of periodic reports. If the resolution of the board of directors for review of the regular report cannot be formed for any reason, the Company shall disclose the relevant information in the form of an announcement of the board of directors to explain the reasons for the failure to form the board of directors' resolution and the existing risks. The board of directors of the Company shall provide explanations to the shareholders' meeting about the qualified opinions raised by certified public accountants with regard to the Company's financial reports.

Article 113 The board of directors shall formulate the rules of procedure for the board meetings to ensure that the board of directors will implement the resolutions of the shareholders' meetings, improve work efficiency and ensure scientific decision-making. The rules of procedure for the board of directors shall serve as an annex to these Articles of Association and shall be formulated by the board of directors and approved by the shareholders' meeting.

Article 114 The board of directors shall determine the scope of authority for matters such as external investment, acquisition and sale of assets, asset pledges, external guarantees, entrusted financial management, connected transactions and external donations, and establish strict review and decision-making procedures; for major investment projects, relevant experts and professionals shall be arranged to conduct reviews and it shall be reported to the shareholders' meeting for approval.

Article 115 The board of directors shall have one chairman. The chairman shall be elected by more than half of all the directors of the board of directors.

Article 116 The chairman of the board of directors shall exercise the following functions and powers:

- (I) preside over the shareholders' meetings and convene and preside over meetings of the board of directors;
- (II) supervise and inspect the implementation of resolutions of the board of directors;
- (III) other powers conferred by the board of directors.

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 particular of authorization matters, content and authority clearly. Matters that involve material interest of the Company shall be decided by the board of directors collectively, and shall not authorized the chairman of the board of directors or individual directors to decide on his own.

Article 117 If the chairman of the board of directors is unable to perform his duties or fails to perform his duties, one director jointly elected by more than half of the directors shall perform his duties.

Article 118 Regular meetings of the board of directors shall be convened at least four times a year, about one meeting each quarter, which shall be convened by the chairman of the board of directors and shall notify all directors in writing 14 days prior to the meeting.

Article 119 Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors or the audit committee may propose to convene an extraordinary board meeting. The chairman of the board of directors shall convene and preside over a board meeting within ten days after receiving the proposal.

Article 120 Notice of an extraordinary board meeting convened by the board of directors shall be served in writing for three days in advance. In the case of no objection from the attending directors or of an emergency, the notice of meeting may be given by telephone or by other verbal means at any time, without being limited by the time limit of the above notice.

Article 121 A notice of board meeting shall contain the following:

- (I) date and venue of the meeting;
- (II) duration of the meeting;
- (III) reasons and issues for discussion;
- (IV) date of notice.

Article 122 The board meeting shall be held only when more than half of the directors are present. Resolutions made by the board of directors must be passed by more than half of all directors.

Resolutions of the board of directors are voted by way of poll with each director having one vote.

The following matters shall be approved by a majority of all members of the audit committee before the board of directors making a resolution:

- (I) the appointment and dismissal of the accounting firm that undertakes the Company's auditing business;
- (II) the appointment and dismissal of financial officer(s) (chief financial officer);
- (III) the disclosure of financial and accounting reports;
- (IV) other matters stipulated by the securities regulatory authority of the State Council.

Article 123 Where a director is related to the enterprise or individual involved in a resolution of the meeting of the board of directors, such director shall submit a written report to the board of directors in a timely manner. Any director with any connected relationship shall neither exercise his/her voting rights nor exercise another director's voting rights as a proxy. Such meeting of the board of directors shall be held only when attended by more than half of the directors unconnected, and the resolution of the meeting of the board of directors shall be approved by more than half of such unconnected directors. In case of less than three unconnected directors present at the meeting, such matter shall be submitted to the shareholders' meeting for deliberation. If there are any additional restrictions on directors' participation in meetings of the board of directors and voting in the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

Article 124 The resolution of the board of directors shall be voted by open ballot or by a show of hands.

On the premise that the directors can fully express their opinions, the extraordinary meeting of the board of directors may be held and pass resolutions by means of communication (including but not limited to in writing, by video conference, by telephone conference, etc.), with the resolutions signed by the attending directors, provided that the resolutions and records of the board of directors shall be signed afterwards.

Article 125 A director shall attend the meeting of the board of directors in person. If a director is unable to attend a meeting of the board of directors, he/she may appoint another director by a written power of attorney to attend on his/her behalf. Such a power of attorney shall specify the name of the proxy, the matters to be represented, the scope of authorization and the expiration date, and shall be signed or sealed by the principal. A director appointed as the representative of another director to attend the meeting shall exercise the rights of a director within the scope of authorization. Where a director is unable to attend a board meeting and has not appointed a proxy to attend the meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.

A director shall not be entrusted by more than two directors to attend a meeting of the board of directors on their behalf. Independent non-executive directors may only entrust independent non-executive directors to attend meetings.

Article 126 The board of directors shall cause minutes to be kept for decisions made in relation to matters considered at the meetings, and the minutes shall be signed by the directors attending the meeting.

Minutes of the meeting of the board of directors shall be kept as the Company's files for a period of at least 10 years.

The directors shall be responsible for the resolutions passed at the meeting of the board of directors. Where a resolution of the board of directors violates any law, administrative regulation or these Articles of Association or resolutions of the shareholders' meeting, thereby causing serious losses to the Company, the directors participating in the resolution shall be liable for compensation to the Company; however, the director may be exempted from liability if it is proved that he/she expressed his/her objection at the time of voting, which is recorded in the minutes of the meeting.

Article 127 The minutes of the meeting of the board of directors shall include the following contents:

- (I) the date, venue and convener's name of the meeting;
- (II) the names of directors present at the meeting and directors (proxies) present at such meeting on behalf of other directors;
- (III) the agenda of the meeting;
- (IV) the summary of points raised by directors;
- (V) the manner and result of voting on each matter resolved (and the voting results shall set out the number of affirmative, negative and abstention votes on a particular resolution);
- (VI) other matters that the directors present at the meeting deem necessary to be recorded.

Section 3 Independent Non-executive Directors

Article 128 The independent non-executive directors shall diligently perform their duties in accordance with the laws, administrative regulations, requirements of the CSRC, the regulatory authority of the place where the Company's shares are listed and these Articles of Association, play a role in participating in decision-making, supervision, check and balance, and providing professional advice in the board of directors, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders.

Article 129 Independent non-executive directors must satisfy the independence requirement in accordance with Rule 3.13 of the Hong Kong Listing Rules. The independence of an independent non-executive director may be challenged if he/she:

- (I) directly or indirectly holds shares representing more than 1% of the total issued share capital of the listed company;
- (II) has acquired any interest in securities of the Company or its subsidiaries by way of gift or other financial assistance from a core connected person or from the Company itself;
- (III) is the director, partner or principal of professional consultants who is providing services to the following company/people or did so within two years before being appointed, or is an employee of the professional consultants who provide or provided the relevant services;
 - 1. the Company or its holding company or any of their respective subsidiaries or core connected persons; or
 - 2. any person who has been a controlling shareholder of the Company or, if the Company does not have a controlling shareholder, any person who has been a chief executive or a director (other than an independent non-executive director) of the Company, or any of his/her close associates, in the two years preceding the date of the proposed appointment of such person as an independent non-executive director.
- (IV) currently or within one year before the proposed appointment of an independent director has or had a material interest in any of the principal business activities of the Company, its holding company or their respective subsidiaries; or is or was involved in a material business transaction with the Company, its holding company or their respective subsidiaries or with any of the Company's core connected persons;
- (V) serves as a member of the board of directors for the purpose of protecting an entity whose interests are distinct from the interests of the shareholders as a whole;
- (VI) has, at that time or within the two years prior to the date of his/her proposed appointment as an independent non-executive director, a relationship with a director, chief executive or substantial shareholder of the Company that is a connected person as defined in the Hong Kong Listing Rules;

- (VII) is (or was within two years prior to the date of the proposal or his/her appointment as a director) an executive or a director (other than an independent non-executive director) of the Company, its holding company or any of their respective subsidiaries, or of any of the Company's core connected persons;
- (VIII) is financially dependent on the Company, its holding company or any of their respective subsidiaries or a core connected persons of the Company.

Article 130 The following individuals may not serve as independent non-executive directors:

- (I) persons holding office in the Company or its affiliates and their spouses, parents, children or major social relatives;
- (II) natural person shareholders directly or indirectly holding more than one percent of issued shares of the Company or among top ten shareholders of the Company and their spouses, parents and children;
- (III) persons holding office in any shareholder directly or indirectly holding more than five percent of issued shares of the Company or in the top five shareholders of the Company and their spouses, parents and children;
- (IV) persons holding office in any affiliate of the controlling shareholders or actual controllers of the Company and their spouses, parents and children;
- (V) persons who have material business dealings with the Company or its controlling shareholders or actual controllers or their respective affiliates or who hold office in any entity having material business dealings or its controlling shareholders or actual controllers;
- (VI) persons providing financial, legal, consulting, sponsoring or other services to the Company, its controlling shareholders, actual controllers or their respective affiliates, including but not limited to all members of the project team of an intermediary providing services, reviewers at all levels, persons signing reports, partners, directors, senior management and principals;
- (VII) persons who have been in the situations listed in the items I to VI hereof within the last twelve months;
- (VIII) other persons who are not independent as stipulated by the laws, administrative regulations, requirements of the CSRC, the regulatory authority of the place where the Company's shares are listed and these Articles of Association.

The affiliates of controlling shareholders or actual controllers of the Company as referred to items (IV) to (VI) of the preceding paragraph do not include those companies which are controlled by the same state-owned assets administration institution with the Company and do not have a related relationship with the Company in accordance with the relevant provisions.

Article 131 A person to serve as an independent non-executive director of the Company shall meet the following conditions:

- (I) being qualified to serve as director of a listed company according to the laws, administrative regulations and other relevant provisions;
- (II) equipping with the independence as required by the Hong Kong Listing Rules and this system, and does not fall under any of the circumstances specified in Article 8 of this system;
- (III) having basic knowledge of the operation of listed companies and being familiar with relevant laws, administrative regulations, rules and regulations;
- (IV) having five or more years of work experience in legal, accounting, economics or other fields required for performance of the duties as an independent director;
- (V) having good personal morality, with no bad records such as major dishonesty, etc.; convincing The Stock Exchange of Hong Kong Limited that his/her character, integrity, independence and experience are sufficient to effectively perform his/her duties as an independent non-executive director to ensure that the interests of all shareholders will be adequately represented;
- (VI) other conditions stipulated by the laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 132 As members of the board of directors, the independent non-executive directors owe fiduciary duties and diligence to the Company and all shareholders and shall prudently perform the following duties:

- (I) to participate in the decision-making of the board of directors and provide explicit opinions on the matters discussed;
- (II) to supervise matters that indicate potential material conflict of interest between the Company and its controlling shareholders, actual controllers, directors and senior management so as to protect legitimate rights and interests of minority shareholders;

- (III) to provide professional and objective advice on the Company's operations and development, thereby facilitating improvement in the standard of the decision-making of the board of directors;
- (IV) other duties stipulated by the laws, administrative regulations, requirements of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 133 Independent non-executive directors shall exercise the following special functions and powers:

- (I) to independently engage intermediaries to audit, provide consultation on or verify specific matters of the Company;
- (II) to propose the convening of extraordinary shareholders' meetings to the board of directors;
- (III) to propose the convening of board meetings;
- (IV) to openly solicit shareholders' rights from shareholders in accordance with the laws;
- (V) to express independent opinions on matters that may jeopardize the interests of the Company or minority shareholders, or on other matters stipulated in the requirements of the securities regulatory authority of the place where the Company's shares are listed and the Articles of Association, which shall at least include the requirements of the securities regulatory authority of the place where the Company's shares are listed and the Articles of Association;
- (VI) other functions and powers as provided by the laws, administrative regulations, requirements of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and these 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.

The Company shall disclose in a timely manner any exercise of the functions and powers set out in item I by the independent non-executive directors. If any of the aforesaid functions and powers cannot be exercised properly, the Company shall disclose the specific circumstances and reasons thereof.

Article 134 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) disclosable related transactions;
- (II) proposed changes or waivers of undertakings by the Company and the relevant parties;
- (III) decisions made and measures taken by the board of directors of an acquired listed company in relation to an acquisition;
- (IV) other matters as provided by the laws, administrative regulations, requirements of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Section 4 Special Committees under the Board of Directors

Article 135 The board of directors of the Company shall establish audit, remuneration and appraisal, and nomination committees, and may establish other special committees such as a strategy committee as needed.

The special committees shall be accountable to the board of directors and perform their duties in accordance with these Articles of Association and the authorization of the board of directors. The proposals shall be submitted to the board of directors for consideration and approval. All members of the special committees shall be directors, among which the audit committee shall only be non-executive directors and consist of at least three members. A majority of its members shall be independent non-executive directors, at least one of whom shall be an independent non-executive director with the appropriate professional qualifications as provided for in the Hong Kong Listing Rules or the appropriate accounting or relevant financial management expertise, and its convener (or chairman) shall be an independent non-executive director. A majority of the members of the remuneration and appraisal committee must be independent non-executive directors, and its convener (or chairman) must be an independent non-executive director. The convener (or chairman) of the nomination committee must be the chairman of the board of directors or an independent non-executive director, and a majority of the members also must be independent non-executive directors. In accordance with its requirements, the board of directors may also set up other committees and reshuffle existing committees. The board of directors is responsible for formulating the rules of the special committees to regulate their operation

Article 136 The audit committee shall exercise functions and powers of the supervisory committee stipulated under the Company Law.

The audit committee is responsible for reviewing the Company's financial information and its disclosures, supervising and evaluating the internal and external audits and internal controls. The following matters shall be submitted to the board of directors for consideration after the approval by a majority of all members of the audit committee:

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

CHAPTER VI GENERAL MANAGER AND OTHER MEMBERS OF SENIOR MANAGEMENT

Article 137 The Company shall have one general manager, whose appointment and dismissal shall be decided by the board of directors, and be responsible to board of directors.

The Company shall have several deputy general managers, one finance officer (chief financial officer) and one secretary of the board of directors, whose appointment and dismissal shall be decided by the board of directors.

Article 138 The circumstances under which a person is prohibited from acting as a director of the Company and the provisions regarding resignation management system set forth in these Articles of Association shall also apply to senior management.

These Articles of Association concerning the fiduciary duties and diligence of directors shall also apply to senior management.

Article 139 Persons who hold administrative positions other than directors and supervisors in the controlling shareholder units of the Company shall not serve as senior management of the Company.

The Company's senior management shall be only paid by the Company, not by the controlling shareholder.

Article 140 The term of office for the general manager shall be three years, and he/she may be reappointed for consecutive terms.

Article 141 The general manager shall be accountable to the board of directors and exercise the following functions and powers:

- (I) to be in charge of the production, operation and management of the Company, to organize and implement the resolutions of the board of directors, and to report on his/her work to the board of directors;
- (II) to organize and implement the Company's annual business plan and investment plan;
- (III) to formulate the plan for establishment of the Company's internal management organization;
- (IV) to formulate the Company's basic management system;
- (V) to formulate the detailed rules and regulations of the Company;
- (VI) to request the board of directors to appoint or dismiss deputy general manager and finance officer (chief financial officer) of the Company;
- (VII) to decide the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the board of directors;
- (VIII) other functions and powers conferred by these Articles of Association or the board of directors.

The general manager shall be present at the board meetings.

Article 142 The general manager shall formulate work system, which shall be submitted to the board of directors for approval before implementation.

The work system of the general manager includes the following:

- (I) the conditions, procedures and participants for convening the general manager's office meeting;
- (II) the specific duties and division of work of the general manager and other senior management;
- (III) the use of the Company's funds and assets, the authority to enter into material contracts, and the reporting system to the board of directors;
- (IV) other matters that the board of directors deems necessary.

Article 143 The general manager may resign before the expiration of his/her term of office. The specific procedures and methods for the resignation of the general manager shall be specified in the labour contract between the general manager and the Company.

Article 144 The deputy general manager shall assist the general manager in his/her work and be responsible to the general manager. He/She shall be entrusted by the general manager to take charge of relevant work and issue relevant business documents within the scope of his/her duties. If the general manager is unable to perform functions and powers, the deputy general manager may be entrusted by the general manager to act as the general manager.

Article 145 The Company shall have a secretary of the board of directors to be responsible for the preparation of shareholders' meetings and board meetings of the Company, keeping of documents and management of shareholders' information of the Company, handling information disclosure and other matters.

The secretary of the board of directors shall comply with the relevant provisions of laws, administrative regulations, departmental regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 146 If a member of the senior management causes damage to others in the performance of his/her duties for the Company, the Company shall bear liability for compensation; if such senior management acted with intent or gross negligence, he/she shall also be held liable for compensation.

If a member of the senior management violates the provisions of laws, administrative regulations, departmental regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association in the performance of his/her duties for the Company and causes losses to the Company, he/she shall be liable for compensation.

Article 147 The senior management of the Company shall perform duties faithfully and safeguard the best interests of the Company and all shareholders. Where any member of the senior management of the Company fails to perform duties faithfully or violate his/her fiduciary duties resulting in any loss to the interests of the Company and the general public shareholders, such member shall be liable for compensation in accordance with the law.

CHAPTER VII FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting System

Article 148 The Company shall establish its financial and accounting system according to the laws, administrative regulations and the requirements of the relevant state authorities. The accounting year of the Company follows the Gregorian calendar, which an accounting year commences on 1 January and ends on 31 December of each year.

Article 149 The Company shall submit and disclose the annual report within 4 months from the end of each accounting year in accordance with relevant regulatory requirements, also submit and disclose the interim report within 2 months from the end of the first half of each accounting year in accordance with relevant regulatory requirements.

The aforesaid annual reports and interim reports shall be prepared in accordance with the relevant laws, administrative regulations, departmental regulations and the provisions of the stock exchange of the place where the shares are listed.

Article 150 The Company will not set up any other accounting books except for the legal accounting books. The funds of the Company shall not be deposited into an account established in the name of any individual.

Article 151 When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory common reserve fund of the Company. If the accumulated amount of the statutory common reserve fund of the Company has reached more than 50% of the registered capital of the Company, the Company may cease to make further contribution.

Where the statutory common 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 for the loss before the withdrawing of the statutory common reserve fund in accordance with the preceding paragraph.

After the Company withdraws the statutory common reserve fund from the after-tax profits, the discretionary common reserve fund may be withdrawn from the after-tax profits with the approval of the shareholders' meeting.

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

Where a shareholders' meeting distributes profits to shareholders before the Company makes up for losses and withdraws the statutory common reserve fund in violation of the Company Law, the shareholders shall return the illegally distributed profits to the Company; where such distribution causes losses to the Company, the shareholders, responsible directors and senior management shall be liable for compensation.

The Company's shares held by the Company shall not be subject to profit distribution.

The Company shall appoint one or more payment receiving agents in Hong Kong for holders of H shares. The payment receiving agents shall receive and hold on behalf of such holders of H Shares any dividends allocated to H shares and other amounts payable by the Company, for future payments to such holders of H shares. The payment receiving agents appointed by the Company shall comply with laws, regulations and the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Article 152 The common reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation, or increase its capital.

When the Company uses its common reserve fund to cover losses, it shall first utilize the discretionary common reserve fund and statutory common reserve fund; if the losses cannot be covered thereafter, the capital reserve fund may be used in accordance with the regulations.

When the statutory common reserve fund is converted into increased registered capital, the remaining statutory common reserve fund shall be no less than 25% of the registered capital of the Company before the capital conversion.

Article 153 When a resolution is made by the shareholders' meeting of the Company on the profit distribution scheme, or after the board of directors of the Company formulates a specific plan based on the conditions and upper limit of the interim dividend for the next year as approved by the annual shareholders' meeting, the Company shall complete the dividend (or share) distribution within 2 months.

Section 2 Internal Audit

Article 154 The Company shall implement the internal audit system to clarify the leadership system, responsibilities and authorities, personnel allocation, financial guarantee, application of audit results and accountability for internal audit work.

The Company's internal audit system shall be implemented upon the approval of the board of directors and disclosed to the public.

Article 155 The Company's internal audit institution shall supervise and inspect the Company's business activities, risk management, internal controls, financial information, and other matters.

Article 156 The internal audit institution shall be accountable to the board of directors.

Article 157 During the supervision and inspection of the Company's business activities, risk management, internal controls, and financial information, the internal audit institution shall accept the supervision and guidance of the audit committee. If the internal audit institution discovers relevant major issues or clues, it shall immediately report directly to the audit committee. The specific organization and implementation of the Company's internal control evaluation shall be the responsibility of the internal audit institution. The Company shall issue an annual internal control evaluation report based on the evaluation report and relevant materials issued by the internal audit institution and reviewed by the audit committee.

Article 158 When the audit committee communicates with external audit units such as accounting firms and national audit institutions, the internal audit institution shall actively cooperate and provide necessary support and collaboration.

Article 159 The audit committee shall participate in the evaluation of the person in charge of internal audit.

Section 3 Appointment of Accounting Firms

Article 160 The Company shall appoint an accounting firm that complies with the regulations of the Securities Law to audit financial statements, verify the net assets, and offer other relevant consulting services. The term of employment of an accounting firm shall be one year commencing from the conclusion of this annual shareholders' meeting until the conclusion of the next annual shareholders' meeting, and it may be renewed.

Article 161 The appointment or dismissal of an accounting firm for the Company shall be subject to the approval of the shareholders' meeting, the board of directors shall not appoint an accounting firm before the decision is made by the shareholders' meeting, except as otherwise provided in these Articles of Association.

Article 162 The Company guarantees to provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials to the employed accounting firm, and shall not refuse, conceal or make false reports.

Article 163 The audit fees of an accounting firm shall be decided by the shareholders' meeting.

Article 164 When the Company dismisses or does not renew the employment of an accounting firm, it shall give a 30-day prior notice to such accounting firm, and such accounting firm shall be allowed to state its opinions at the shareholders' meeting of the Company where a voting process concerning the dismissal of such accounting firm is carried out.

Where an accounting firm tenders its resignation, it shall state at the shareholders' meeting whether the Company has committed any misconduct.

CHAPTER VIII NOTICE AND ANNOUNCEMENT

Section 1 Notice

Article 165 Notices of the Company shall be delivered by the following means:

- (I) by personal delivery;
- (II) by post;
- (III) by facsimile or e-mail;
- (IV) by announcement;
- (V) other forms provided for in these Articles of Association

Article 166 Once a notice of the Company is delivered in the form of announcement, all related persons are deemed to have received the notice upon the publication of the announcement.

Article 167 The meeting notices of convening the shareholders' meetings of the Company shall be served by personal delivery, post, facsimile or announcement. Unless the context otherwise requires, in relation to the announcements made to the holders of H shares or within Hong Kong as required under the relevant provisions or these Articles of Association, the announcements shall be published on the website of the Company, the website of the Hong Kong Stock Exchange in accordance with the relevant provisions of the Hong Kong Listing Rules and such other websites as may be required from time to time under the Hong Kong Listing Rules.

In respect of the manner in which the Company provides and/or distributes corporate communications to the holders of H shares as required by the listing rules of the place where the Company's shares are listed, subject to compliance with the relevant listing rules of the place where the Company's shares are listed, the Company may also send or make available corporate communications to the holders of H shares of the Company electronically or by means of posting the information on the Company's website or on the website of the stock exchange of the place where the Company's shares are listed, in lieu of delivering corporate communications to the holders of H shares by personal delivery or postage-paid mail.

The corporate communications referred to in the preceding paragraph refer to any document issued or to be issued by the Company for reference or action by any holders of H shares of the Company or other persons required by the Hong Kong Listing Rules, including but not limited to:

1. annual reports of the Company (including annual accounts of the Company together with auditor's reports and summary financial reports, if applicable);
2. interim reports and interim summary reports of the Company (if applicable);
3. meeting notices;
4. listing documents;
5. circulars;
6. proxy forms (as defined by the listing rules of the stock exchange of the place where the Company's shares are listed).

Article 168 The meeting notices of convening the board meetings of the Company shall be served by personal delivery, post, e-mail, facsimile or announcement.

Article 169 If the notice of the Company is served by personal delivery, the recipient shall affix their signature (or seal) to the Return of Service and the signing date of the recipient shall be the date of service; if the notice of the Company is served by post, the third working day after handover to the post office shall be the date of service; if the notice of the Company is sent by facsimile, the date of transmission shall be the date of service; if it is sent by email, the date when the email enters the mailbox system designated by the recipient shall be the date of service; if the notice of the Company is served by announcement, the publication date of first announcement shall be the date of service.

Article 170 Where a meeting notice is not sent to a person who is entitled to receive such notice or such person does not receive any meeting notice due to accidental omission, the meeting and resolutions passed at the meeting shall not be void and null due to such reasons.

Section 2 Announcement

Article 171 The Company shall issue announcements and disclose information to the shareholders of domestic shares in the newspapers and websites for information disclosure specified by the laws, administrative regulations or relevant domestic regulatory authorities. Where announcements are to be issued to the shareholders of H shares in accordance with the Articles of Association of the Company, then relevant announcements shall, at the same time, be published in the designated newspapers, websites, and/or the Company's website in accordance with the methods specified by the Hong Kong Listing Rules. All notices or other documents required under Chapter 19A of the Hong Kong Listing Rules to be sent by the Company to the Hong Kong Stock Exchange shall be in the English language, or accompanied by a certified English translation.

Article 172 The Company shall use the media/websites designated by the CSRC and the stock exchange of the place where the Company's shares are listed as the media for publishing the Company's announcements and other information subject to disclosure.

CHAPTER IX MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 173 Merger of the Company may take the form of merger by absorption or merger by new establishment.

A company absorbing other companies is a merger by adsorption, and the absorbed company is dissolved. The merger of two or more companies to create a new company is a merger by new establishment, and the merging parties are dissolved.

Article 174 In case of a merger between the Company and a company in which it holds over 90% of the shares, the merged company is not required to pass a resolution at the shareholders' meeting but shall notify other shareholders, who have the right to request the Company to acquire their equity or shares at a reasonable price.

If the consideration paid for the merger by Company does not exceed 10% of the Company's net assets, it may be implemented without a resolution of the shareholders' meeting, except as otherwise provided in these Articles of Association.

If the Company merges in accordance with the provisions of the preceding two paragraphs without the approval of the shareholders' meeting, it should be approved by the board of directors.

Article 175 If the Company is involved in a merger, the parties to the merger shall execute a merger agreement, and shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days as of the date of the resolution for the merger and shall publish an announcement on the media that complies with the requirements of National Enterprise Credit Information Publicity System and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within thirty days as of the date of such resolution. The creditors shall, within thirty days since the date of receiving a notice or within forty-five days since the date of the first announcement for those who have not received a notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

Article 176 When the Company is merged, the rights and the obligations of the merging parties shall be assumed by the company in existence or the newly established company after the merger.

Article 177 When the Company is divided, its assets shall be divided accordingly.

When the Company is divided, it shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days as of the date of the resolution for the division and shall publish an announcement on the media that complies with the requirements of National Enterprise Credit Information Publicity System and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within thirty days as of the date of such resolution.

Article 178 Debts of the Company prior to the division shall be jointly assumed by the companies in existence after the division, except as otherwise stated in the written agreement entered into between the Company and creditors in relation to the repayment of debts prior to the division.

Article 179 When the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days as of the date of the resolution for the registered capital reduction at the shareholders' meeting and shall publish an announcement on the media that complies with the requirements of National Enterprise Credit Information Publicity System and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within thirty days as of the date of such resolution. The creditors shall, within thirty days since the date of receiving a notice or within forty-five days since the date of the first announcement for those who have not received a notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

Where the Company reduces its registered capital, it shall correspondingly reduce the capital contribution or shares held by shareholders in proportion to their shareholdings or in accordance with the resolution of the shareholders' meetings, unless otherwise provided by law or these Articles of Association.

Article 180 After making up for losses in accordance with Paragraph 2 of Article 152 of these Articles of Association, if the Company still has losses, it may reduce its registered capital to make up for the losses. When reducing registered capital to make up for losses, the Company shall not distribute profits to shareholders, nor may it exempt shareholders from their obligation to contribute capital or share payments.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of Paragraph 2 of Article 179 of these Articles of Association shall not apply, but an announcement shall be published on the media that complies with the requirements of National Enterprise Credit Information Publicity System and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within thirty days after the resolution approving the registered capital reduction has been passed by the shareholders' meeting.

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

Article 181 Where the registered capital reduction violates the Company Law or other relevant regulations, shareholders shall return the funds they have received, and any exemption from shareholders' capital contributions shall be restored to the original state; if any loss is caused to the Company, the shareholders, the responsible directors and senior management shall be liable for compensation.

Article 182 When the Company issues new shares for increasing its registered capital, shareholders shall have no pre-emptive rights, unless otherwise provided in these Articles of Association or where the resolution of shareholders' meetings decides that shareholders are entitled to pre-emptive rights.

Article 183 Where the merger or division of the Company results in a change in its registered particulars, such change shall be registered with the company registry according to law. Where the Company is dissolved, it shall cancel its registration according to law. Where a new company is established, its establishment shall be registered according to law.

The increase or reduction in the Company's registered capital shall be registered with the company registry according to law.

Section 2 Dissolution and Liquidation

Article 184 The Company shall be dissolved for any of the following reasons:

- (I) the business term specified in these Articles of Association expires or other dissolution causes stipulated herein occur;
- (II) the shareholders' meeting resolves to dissolve the Company;
- (III) the 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 dissolved according to law;
- (V) there is a severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of its shareholders and there is no other way to resolve, shareholders who hold over 10% of the voting rights of the Company may request the People's Court to dissolve the Company.

Where the Company encounters any dissolution cause specified in the preceding paragraph, it shall publicize such dissolution cause through the National Enterprise Credit Information Publicity System within ten days.

Article 185 Where the Company falls under circumstances specified in (I) or (II) of Article 184 of these Articles of Association and has not yet distributed assets to shareholders, it may continue to exist by amending these Articles of Association or through a resolution of the shareholders' meeting.

Any amendment to these Articles of Association or resolution adopted by the shareholders' meeting pursuant to the preceding paragraph shall require approval by more than two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

Article 186 If the Company is dissolved under items (I), (II), (IV) and (V) of paragraph 1 of Article 184 of these Articles of Association, it should be liquidated. Directors are the liquidation obligors of the Company and a liquidation committee shall be set up within fifteen days from the date of occurrence of the cause for dissolution to conduct the liquidation.

The liquidation committee shall be comprised by the directors, unless otherwise stipulated in these Articles of Association or the shareholders' meeting resolves to elect another person.

If the liquidation obligor fails to perform the liquidation obligation in a timely manner and causes losses to the Company or creditors, it shall bear the liability for compensation.

Article 187 The liquidation committee shall exercise the following functions and powers during liquidation:

- (I) to thoroughly examine the assets of the Company and prepare a balance sheet and an inventory of assets respectively;
- (II) to notify the creditors by a notice or announcement;
- (III) to handle the outstanding business of the Company in connection with liquidation;
- (IV) to repay all outstanding tax payment and the tax payment arising from the liquidation;
- (V) clearing up claims and debts;
- (VI) to allocate the remaining assets after full payment of the Company's debts;
- (VII) to participate in civil litigation on behalf of the Company.

Article 188 The liquidation committee shall notify its creditors within ten days as of the date the date it is established and shall publish an announcement on the media that complies with the requirements or National Enterprise Credit Information Publicity System and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within sixty days as of such date. The creditors shall, within thirty days since the date of receiving a notice or within forty-five days since the date of the first announcement for those who have not received a notice, report their creditors' rights to the liquidation committee

When reporting his/her rights, the creditor shall provide an explanation of matters relevant to creditors' rights and provide the supporting evidence. The liquidation committee shall register the creditors' rights.

In the course of reporting the creditors' rights, the liquidation committee shall not repay the creditors.

Article 189 After the liquidation committee has thoroughly examined the Company's assets and prepared a balance sheet and an inventory of assets, it shall formulate a liquidation plan and submit such plan to the shareholders' meeting or the People's Court for confirmation.

The remaining assets of the Company after the payment of liquidation expenses, payment of wages, social insurance expenses and statutory compensation, payment of outstanding taxes and debts of the Company shall be distributed to the shareholders of the Company according to the proportion of shares held by them.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to liquidation. The assets of the Company shall not be distributed to shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

Article 190 If the liquidation committee, having thoroughly examined the Company's assets and prepared a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to pay its debts in full, it shall apply to the People's Court in accordance with the law for bankruptcy liquidation.

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

Article 191 Following the completion of liquidation, the liquidation committee shall formulate a liquidation report, submit the same to the shareholders' meeting or the People's Court for confirmation, and deliver the same to the company registry to apply for cancellation of the Company's registration.

Article 192 Members of the liquidation committee shall, in performing their duties of liquidation, have fiduciary duties and diligence. If any member of the liquidation committee fails to perform his/her liquidation duties and causes losses to the Company, he/she shall be liable for compensation; where losses are caused to the Company or creditors due to intent or gross negligence, he/she shall be liable for compensation.

Article 193 Where the Company is declared bankrupt according to the law, bankruptcy liquidation shall be conducted in accordance with the law on bankruptcy of enterprises.

CHAPTER X AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 194 The Company shall amend these Articles of Association under any of the following circumstances:

- (I) after the Company Law or relevant laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed are amended, the provisions of the Articles of Association are in conflict with the provisions of the amended laws, administrative regulations, the 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 these Articles of Association;
- (III) the shareholders' meeting decides to amend these Articles of Association.

Article 195 The amendment to the Articles of Association approved by way of resolution at the shareholders' meeting shall be submitted to the competent authorities for examination and approval. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes in accordance with the law.

Article 196 The board of directors shall amend these Articles of Association in accordance with the resolution in relation to the amendment of the Articles of Association of the shareholders' meeting and the approval opinions of relevant competent authorities.

Article 197 If the amendments to the Articles of Association are information required to be disclosed by laws and regulations, they shall be announced in accordance with the regulations.

CHAPTER XI SUPPLEMENTARY PROVISIONS

Article 198 Definitions

- (I) A controlling shareholder means a shareholder who holds more than 50% of the total share capital of the Company, or a shareholder who holds not more than 50% of the total shares but whose voting rights are sufficient to have a significant influence on resolutions of the shareholders' meetings, or a controlling shareholder as defined in the securities regulatory rules of the place where the Company's shares are listed.

- (II) An actual controller means a natural person, legal person or other organization, who can actually control the activities of the Company through investment relationship, agreement, or other arrangement.
- (III) An “accounting firm” in these Articles of Association has the same meaning as “auditor” in the Hong Kong Listing Rules; a “related person”, “related relationship” and “related transaction” in these Articles of Association have the meanings ascribed to them by the Hong Kong Listing Rules.

Article 199 The Board may formulate by-laws in accordance with the provisions of these Articles of Association. The by-laws shall not contravene the provisions of these Articles of Association.

Article 200 The Articles of Association are written in Chinese. In case of any discrepancy between the Articles of Association in any other language or different versions and these Articles of Association, the Chinese version of the Articles of Association most recently filed with the Administration for Market Regulation shall prevail.

Article 201 In the event that these Articles of Association are in conflict with the laws, administrative regulations, normative documents and the provisions of the securities regulatory rules of the place where the Company’s shares are listed as issued from time to time, such laws, administrative regulations, normative documents and the provisions of the securities regulatory rules of the place where the Company’s shares are listed shall prevail.

Article 202 The terms “more”, “within” and “not more than” as stated in these Articles of Association include the given figure; while the terms “more than”, “less than” and “over” exclude the given figure.

Article 203 The board of directors of the Company shall be responsible for the interpretation of these Articles of Association.

Article 204 Annexes to these Articles of Association include the Rules of Procedure for the Shareholders’ Meeting and the Rules of Procedure for the Board of Directors.

Article 205 Matters not covered in these Articles of Association shall be handled in accordance with the laws, administrative regulations and the relevant provisions of the securities regulatory authority of the place where the Company's shares are listed and the actual situation of the Company. In case of any conflict between these Articles of Association and the laws, administrative regulations, relevant rules or regulations of the relevant securities registration and clearing houses, other relevant normative documents and the provisions of the securities regulatory authority of the place where the Company's shares are listed, the laws, administrative regulations, relevant rules or regulations of the relevant securities registration and clearing houses, other relevant normative documents and the provisions of the securities regulatory authority of the place where the Company's shares are listed shall prevail.

Article 206 These Articles of Association are deliberated and approved by the shareholders' meeting, and shall come into force and be implemented from the day on which the overseas listed shares (H shares) in the Company's initial public offering are listed for trading on the Main Board of the Hong Kong Stock Exchange. The previous Articles of Association of the Company shall lapse automatically upon the effective date of these Articles of Association.