

**Busy Ming Group Co., Ltd.**

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

**Articles of Association**

(Applicable after the issuance and listing of H shares)

## **CONTENTS**

<b>CHAPTER 1</b>	<b>GENERAL PROVISIONS .....</b>	<b>1</b>
<b>CHAPTER 2</b>	<b>OBJECTIVES AND SCOPE OF BUSINESS .....</b>	<b>2</b>
<b>CHAPTER 3</b>	<b>SHARES .....</b>	<b>3</b>
<b>CHAPTER 4</b>	<b>SHAREHOLDERS AND GENERAL MEETINGS.....</b>	<b>9</b>
<b>CHAPTER 5</b>	<b>DIRECTORS AND BOARD OF DIRECTORS .....</b>	<b>27</b>
<b>CHAPTER 6</b>	<b>SENIOR MANAGEMENT .....</b>	<b>36</b>
<b>CHAPTER 7</b>	<b>FINANCIAL ACCOUNTING SYSTEM, PROFITS DISTRIBUTION AND AUDIT.....</b>	<b>38</b>
<b>CHAPTER 8</b>	<b>NOTICE AND ANNOUNCEMENT .....</b>	<b>41</b>
<b>CHAPTER 9</b>	<b>MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION... ..</b>	<b>42</b>
<b>CHAPTER 10</b>	<b>AMENDMENTS TO THE ARTICLES OF ASSOCIATION.....</b>	<b>46</b>
<b>CHAPTER 11</b>	<b>SUPPLEMENTARY PROVISION .....</b>	<b>47</b>

# **Busy Ming Group Co., Ltd.**

## **Articles of Association**

### **CHAPTER 1 GENERAL PROVISIONS**

**Article 1** To protect the legitimate rights and interests of the Company, shareholders, employees and creditors, and to regulate the organization and conduct of the Company, the Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China (the "Securities Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules of the Hong Kong Stock Exchange") and other related regulations.

**Article 2** The Company is a joint stock company with limited liability (the "Company") established in accordance with the Company Law and other relevant provisions.

The Company was incorporated by way of promotion. It was registered with Changsha Administration for Market Regulation (長沙市市場監督管理局) and obtained a business license. The unified social credit code of the Company is 91430111MA4R1XX98A.

**Article 3** The Company's initial public offering of [•] overseas-listed foreign shares (the "H Shares") (including [•] H Shares issued pursuant to the exercise of the Over-allotment Option) was filed with the China Securities Regulatory Commission (the "CSRC") on December 11, 2025 and approved by The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on [•], which were listed on the Main Board of the Hong Kong Stock Exchange on [•].

**Article 4** Registered name of the Company

Chinese name: 湖南鳴鳴很忙商業連鎖股份有限公司

English name: Busy Ming Group Co., Ltd.

**Article 5** The Company's registered address: 33001-33006, Phase II Business Complex Building, Yunda Central Plaza, 567 Changsha Avenue, Yuhua District, Changsha, Hunan Province. Postal code: 410100.

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

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

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

The resignation of the director who serves as the legal representative shall be deemed to be the resignation of 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 his/her resignation.

**Article 9** For civil activities carried out by the legal representative in the name of the Company, the legal consequences of the activities shall be borne by the Company.

Restrictions on the functions and powers of the legal representative set forth in the Articles of Association or by the general meeting shall not be raised against a bona fide third party.

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 assuming such civil liability, claim for indemnity from the legal representative at fault in accordance with the law or the Articles of Association.

**Article 10** The liability of a shareholder of the Company shall be limited to the shares subscribed by that shareholder, and the Company shall be hold liable for its debts with all of its assets.

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

**Article 12** The senior management referred to in the Articles of Association refers to the general manager, deputy general manager, the financial controller, secretary to the Board of Directors of the Company and other senior management as determined by the Board of Directors.

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

## **CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS**

**Article 14** The Company's business objectives: The Company is committed to creating a snack brand for the people by providing consumers with a joyful and convenient shopping experience alongside a diverse range of high-quality, value-for-money products, enabling consumers to buy snacks whenever and wherever and becoming the retailer serving the broadest consumer base.

**Article 15** As legally registered, the Company's business scope is as follows: Licensed items of business: sale of food, sale of food through online channels; alcoholic beverage business; urban distribution transport services (excluding hazardous goods); recreational activities; online data processing and transaction processing business (business-type e-commerce); snack and grocery. (For items subject to approval in accordance with the law, approvals from the relevant authorities must be obtained prior to operation. Specific items shall be subject to approvals or licenses from relevant authorities) General items of business: corporate management consultation; information consultation services (excluding licensed information consultation services); marketing planning; consulting and planning services; project planning and public relations services; international cargo freight forwarding; information technology consultancy services; technical services, technology development, technical consultancy, technical exchange, technology transfer, technology promotion; internet sales (excluding goods requiring licensing); domestic trade agency; import and export agency; artificial intelligence application software development; information system integration services; software development; digital technology services; sale of health foods (pre-packaged); wholesale of daily necessities; food import and export; sale of infant formula milk powder and other infant formula foods; sale of plastic packaging containers, tools and products for food use; sale of household electrical appliances; loading, unloading and handling; advertising design and agency; advertising publishing; advertising production; brand management; socio-economic consultancy services; commercial complex management services; organization of cultural and artistic exchange activities; organization of sporting competitions; amusement park services; fitness and leisure activities; conference and exhibition services. (Except for those items which are subject to approval in accordance with the law, business activities are to be carried out independently in accordance with the law on the basis of the business licence).

## **CHAPTER 3 SHARES**

### **Section 1 Issue of Shares**

**Article 16** The shares of the Company shall take the form of registered shares. The Company issues ordinary shares, comprising domestic unlisted shares and overseas listed shares (i.e. H shares).

**Article 17** 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 individual shall pay the same price per share for the subscription of shares.

**Article 18** All the shares issued by the Company are denominated in Renminbi.

**Article 19** The domestic unlisted shares issued by the Company shall be registered and deposited at the domestic securities registration and settlement institution in a centralized manner. H shares issued by the Company may be kept by trustee escrow companies in accordance with laws, securities regulatory rules and requirements of securities registration and depository of the place where the Company's shares are listed, or may also be held by shareholders in their own name.

**Article 20** The promoters of the Company are Yan Zhou (晏周), Shanghai Bird Nest Advertising Culture Communication Co., Ltd. (上海鳥窩廣告文化傳播有限公司), Li Wei (李維), Yichun Yikouniao Management Partnership (Limited Partnership) (宜春一口鳥管理合夥企業(有限合夥)), Liu Wei (劉巍), Zhu Lang (朱浪), Hunan Xiaomang Enterprise Management Co., Ltd. (湖南曉芒企業管理有限公司), Gaorong LKZN Holding Limited, Jiandan Qiaochu Health Food Co., Ltd. (簡單巧廚健康食品有限公司), Shanghai Anyicheng Trading Co., Ltd. (上海安以誠商貿有限公司), Xiamen Yaheng Venture Capital Fund Partnership (Limited Partnership) (廈門雅恆創業投資基金合夥企業(有限合夥)), Shenzhen Hanchen Venture Capital Fund Partnership (Limited Partnership) (深圳市瀚辰創業投資基金合夥企業(有限合夥)), Changsha Zhongmang Enterprise Management Partnership (Limited Partnership) (長沙眾忙企業管理合夥企業(有限合夥)), Henan Haoxiangni Youran Technology Co., Ltd. (河南好想你悠然科技有限公司), Haoxiangni Health Food Co., Ltd. (好想你健康食品股份有限公司), Changsha Xunmang Enterprise Management Partnership (Limited Partnership) (長沙迅忙企業管理合夥企業(有限合夥)), Xiamen Black Ant No. 3 Equity Investment Partnership (Limited Partnership) (廈門黑蟻三號股權投資合夥企業(有限合夥)), 5Y Growth Holding I HK Limited, Xiamen Hei Yi No. 3 Overseas Connection Venture Capital Partnership (Limited Partnership) (廈門黑逸三號境外連接創業投資合夥企業(有限合夥)), Discounter Seed HK Investment Limited, Changsha Shizaimang Enterprise Management Partnership (Limited Partnership) (長沙食在忙企業管理合夥企業(有限合夥)), Changsha Jianmang Enterprise Management Partnership (Limited Partnership) (長沙簡忙企業管理合夥企業(有限合夥)), Changsha Lingmang Enterprise Management Partnership (Limited Partnership) (長沙零忙企業管理合夥企業(有限合夥)), Shanghai Yihai Enterprise Management Consulting Partnership (Limited Partnership) (上海翼嗨企業管理諮詢合夥企業(有限合夥)) and BA HM Hong Kong Limited. Below are the subscriptions of the promoters:

<b>No.</b>	<b>Name of Promoters</b>	<b>Number of Shares Subscribed (10,000 Shares)</b>	<b>Mode of Capital Contribution</b>	<b>Timing of Capital Contribution (Subscription)</b>
1.	Yan Zhou	1,084.3014	By conversion of net assets into shares	2025.2.19
2.	Shanghai Bird Nest Advertising Culture Communication Co., Ltd.	1,005.8629	By conversion of net assets into shares	2025.2.19
3.	Li Wei	178.0196	By conversion of net assets into shares	2025.2.19
4.	Yichun Yikouniao Management Partnership (Limited Partnership)	145.0177	By conversion of net assets into shares	2025.2.19
5.	Liu Wei	140.3701	By conversion of net assets into shares	2025.2.19
6.	Zhu Lang	140.3701	By conversion of net assets into shares	2025.2.19
7.	Hunan Xiaomang Enterprise Management Co., Ltd.	132.3806	By conversion of net assets into shares	2025.2.19
8.	Gaorong LKZN Holding Limited	113.5323	By conversion of net assets into shares	2025.2.19

<b>No.</b>	<b>Name of Promoters</b>	<b>Number of Shares Subscribed (10,000 Shares)</b>	<b>Mode of Capital Contribution</b>	<b>Timing of Capital Contribution (Subscription)</b>
9.	Jiandan Qiaochu Health Food Co., Ltd.	113.4691	By conversion of net assets into shares	2025.2.19
10.	Shanghai Anyicheng Trading Co., Ltd.	99.7915	By conversion of net assets into shares	2025.2.19
11.	Xiamen Yaheng Venture Capital Fund Partnership (Limited Partnership)	95.7085	By conversion of net assets into shares	2025.2.19
12.	Shenzhen Hanchen Venture Capital Fund Partnership (Limited Partnership)	81.6294	By conversion of net assets into shares	2025.2.19
13.	Changsha Zhongmang Enterprise Management Partnership (Limited Partnership)	77.2634	By conversion of net assets into shares	2025.2.19
14.	Henan Haoxiangni Youran Technology Co., Ltd.	75.6460	By conversion of net assets into shares	2025.2.19
15.	Haoxiangni Health Food Co., Ltd.	75.6460	By conversion of net assets into shares	2025.2.19
16.	Changsha Xunmang Enterprise Management Partnership (Limited Partnership)	67.1629	By conversion of net assets into shares	2025.2.19
17.	Xiamen Black Ant No. 3 Equity Investment Partnership (Limited Partnership)	66.5767	By conversion of net assets into shares	2025.2.19
18.	5Y Growth Holding I HK Limited	64.9131	By conversion of net assets into shares	2025.2.19
19.	Xiamen Hei Yi No. 3 Overseas Connection Venture Capital Partnership (Limited Partnership)	54.6159	By conversion of net assets into shares	2025.2.19
20.	Discounter Seed HK Investment Limited	52.7916	By conversion of net assets into shares	2025.2.19
21.	Changsha Shizaimang Enterprise Management Partnership (Limited Partnership)	40.4305	By conversion of net assets into shares	2025.2.19
22.	Changsha Jianmang Enterprise Management Partnership (Limited Partnership)	33.0210	By conversion of net assets into shares	2025.2.19

No.	Name of Promoters	Number of Shares Subscribed (10,000 Shares)	Mode of Capital Contribution	Timing of Capital Contribution (Subscription)
23.	Changsha Lingmang Enterprise Management Partnership (Limited Partnership)	22.6732	By conversion of net assets into shares	2025.2.19
24.	Shanghai Yihai Enterprise Management Consulting Partnership (Limited Partnership)	21.5590	By conversion of net assets into shares	2025.2.19
25.	BA HM Hong Kong Limited	17.2475	By conversion of net assets into shares	2025.2.19
<b>Total</b>		<b>4,000.0000</b>	—	

The Company issued 40,000,000 shares with the par value of RMB1 per share upon establishment, subscribed by the promoters.

**Article 21** Upon completion of the H shares issuance, if the Over-allotment Option is not exercised, the Company's share capital structure shall be as follows: the total number of shares of the Company shall be [•] shares, all being ordinary shares, comprising [•] shares of domestic unlisted shares and [•] H shares. Should the Over-allotment Option be exercised in full, the Company's share capital structure shall be as follows: the total number of shares of the Company shall be [•] shares, all being ordinary shares, comprising [•] shares of domestic unlisted shares and [•] H shares.

Shareholders holding domestic unlisted shares of the Company who convert all or part of their shares into H Shares and list them on overseas stock exchanges shall conform to the regulatory procedures, regulations and requirements of the domestic and overseas securities regulatory authorities, and the Company shall be authorized to file with the CSRC. No general meeting is required to be convened to vote on the aforesaid conversion of shares and listing and trading on overseas stock exchanges as well as the amendments to the Articles of Association that may result therefrom.

**Article 22** The Company or its subsidiaries (including affiliates of the Company) shall not by way of gift, advance, guarantee or lending etc., provide financial aids for others to acquire shares of the Company or its parent company, except when the Company implements an employee share ownership scheme.

For the benefits of the Company, the Company may, upon a resolution by the general meeting or by the Board of Directors under the Articles of Association or the authorization of the general meeting, provide financial aids for others to acquire shares of the Company or its parent company, provided that the total accumulative amount of the financial aids shall not exceed 10% of the total issued share capital. A resolution by the Board of Directors shall be adopted by more than two-thirds of all the directors.



## **Section 2 Increase, Reduction and Repurchase of Shares**

**Article 23** The Company may, pursuant to a resolution passed by a general meeting of shareholders, adopt the following methods to increase its capital according to its operation and development needs and in compliance with the provisions of laws and regulations:

- (1) share issuance to unspecified parties;
- (2) share issuance to specified parties;
- (3) distribution of bonus shares to existing shareholders;
- (4) conversion of the common reserve fund into additional share capital;

(5) other means as required by laws and administrative regulations and the relevant regulatory authorities such as China Securities Regulatory Commission (CSRC), Hong Kong Stock Exchange or the securities regulatory authorities in the place where the Company's shares are listed.

**Article 24** The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the procedures prescribed in the Company Law, the Listing Rules of the Hong Kong Stock Exchange and other relevant provisions, as well as the Articles of Association.

**Article 25** The Company shall not acquire the Company's shares except in any of the following circumstances:

- (1) reduce the registered capital of the Company;
- (2) merger with other companies which hold shares of the Company;
- (3) use shares in employee shareholding plans or equity incentives;
- (4) the shareholder requests the Company to purchase its shares due to objection to the resolution on the merger or division of the Company made by the general meeting;
- (5) convert shares into corporate bonds issued by the Company that can be converted into share certificates;
- (6) necessary for the Company to safeguard the Company's value and shareholders' interests;
- (7) other circumstances permitted by laws, regulations and rules of the securities regulatory authorities where the Company's shares are listed.

Any controlled subsidiaries of the Company shall not acquire the shares of the Company.

**Article 26** The Company may acquire the shares of the Company by public centralized transaction, or other methods approved by the laws, administrative regulations, the CSRC and the securities regulatory authorities where the Company's shares are listed.

Where the Company acquires the Company's shares due to the circumstances specified in items (3), (5) and (6) of the first paragraph of Article 25 of the Articles of Association, the acquisition shall be conducted through a public centralized transaction.

**Article 27** Where the Company acquires the Company's shares due to the circumstances specified in items (1) and (2) of the first paragraph of Article 25 of the Articles of Association, the acquisition shall be subject to a resolution of the general meeting. Where the Company acquires the Company's shares due to the circumstances specified in items (3), (5) and (6) of the first paragraph of Article 25 of the Articles of Association, the acquisition shall be resolved by more than two-thirds of the directors who attended the Board meeting according to the provisions of the Articles of Association or as authorized by the general meeting, provided that it complies with the applicable securities regulatory rules of the place where the Company's shares are listed.

For the domestic unlisted shares, after the Company acquires the shares of the Company pursuant to the provisions of the first paragraph of Article 25 of the Articles of Association, it shall be deregistered within 10 days from the date of acquisition in circumstance specified in (1); the shares shall be transferred or deregistered within 6 months in circumstances specified in (2) and (4); the total number of shares of the Company held by the Company shall not exceed 10% of the total issued shares of the Company under the circumstances specified in (3), (5) and (6) and shall be transferred or deregistered within three years. Where the laws, regulations and the securities regulatory authorities of the place where the Company's shares are listed have other provisions on the relevant matters involved in the repurchase of shares, such provisions shall prevail.

For the acquisition of the Company's shares, the Company shall perform its information disclosure obligation in accordance with the laws, regulations and rules of the regulatory authorities where the Company's shares are listed.

### **Section 3 Transfer of Shares**

**Article 28** The shares of the Company shall be transferred in accordance with law.

The Company's shares may be transferred in accordance with laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. All transfers of H Shares shall be effected by written transfer documents in the ordinary or common form or in any other form acceptable to the Board of Directors (including the standard transfer form or transfer form prescribed by the Hong Kong Stock Exchange from time to time); such transfer documents may only be executed by hand signature or affixed with the Company's valid seal (if the transferor or transferee is the Company). If the transferor or transferee is a recognized clearing house as defined by the relevant ordinances from time to time in force under Hong Kong law or its nominee, the transfer documents may be executed either by hand signature or machine imprint. All transfer documents shall be kept at the Company's legal address or at such other place as the Board of Directors may from time to time designate.

**Article 29** The Company shall not accept its shares as the subject of a pledge.

**Article 30** The shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date of listing of the Company's shares on the stock exchange.

Directors and senior management of the Company shall report to the Company the shares (including preferred shares) of the Company held by them and their changes. During their term of office as determined at the time of their appointment, the shares transferred each year shall not exceed 25% of the total number of shares of the same class they held in the Company. The shares of the Company shall not be transferred within one year from the date of listing. The above mentioned personnel shall not transfer the shares of the Company held by them within half a year after their resignation. Where the laws, regulations, CSRC and/or the listing rules of the place where the Company's shares are listed provide otherwise for restrictions on the transfer of the Company's shares, such provisions shall prevail.

**Article 31** In the event that any shareholder holding 5% or more of the shares of the Company, director or senior management disposes of any shares or other equity securities held by him/her within six months from the date of acquiring, or acquires within six months from the date of disposing, the gains derived therefrom shall belong to the Company and be recovered by the Board of Directors of the Company. However, the securities company holds more than 5% of the shares as a result of the purchase of the remaining shares after the underwriting, and other circumstances stipulated by the CSRC shall be excluded. Where the listing rules of the place where the Company's shares are listed contain any other provisions, such provisions shall prevail.

Shares or other equity securities held by the directors, senior management and shareholders of natural persons as mentioned in the preceding paragraph shall include the shares or other equity securities held by their spouses, parents, children and through the accounts of others.

If the Board of Directors of the Company does not comply with the provisions of the first paragraph of this Article, the shareholders shall have the right to request the Board to implement the provisions within 30 days. If the Board of Directors of the Company fails to carry out the enforcement within the aforesaid time limit, the shareholders shall have the right to directly initiate litigations in the people's court for the benefit of the Company in their own name.

If the Board of Directors of the Company fails to comply with the provisions of the first paragraph of this Article, the responsible directors shall be jointly and severally liable in accordance with the law.

## **CHAPTER 4 SHAREHOLDERS AND GENERAL MEETINGS**

### **Section 1 General Provisions on Shareholders**

**Article 32** The Company shall establish a register of shareholders on the basis of the certificates provided by the securities depository and clearing institution, and the register of shareholders shall be a sufficient evidence that shareholders hold the shares of the company. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The register of shareholders shall include the following parts:

- (1) the register of shareholders maintained at the Company's domicile (other than those registers of shareholders as described in items (2) and (3) of this Article);
- (2) the register of H shareholders maintained in the place where the Company's shares are listed shall be available for inspection by shareholders, provided that the Company may close the register on terms equivalent to Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (3) the register of shareholders maintained at such other place as the Board of Directors may consider necessary for the purpose of listing of the Company's shares.

Appointed overseas agencies shall at any time guarantee that the original register of shareholders in relation to overseas listed foreign invested shares and the copies thereof shall be consistent. Where there is any inconsistency between the original register of shareholders of overseas listed foreign invested shares and the copies thereof, the original shall prevail.

Any shareholder whose name is registered in the register of shareholders or any person who requests to have his/her name registered in the register of shareholders has lost his/her/its share certificate, may apply to the Company for issuing new share certificate in respect of such shares. Any shareholder of domestic unlisted shares who lost his/her share certificates may apply for replacement in accordance with the relevant provisions of the Company Law. Any shareholder of H shares who lost his/her share certificates may apply for replacement in accordance with the laws of the place where the original register of H shareholders is kept, the rules of the stock exchange, or any other relevant provisions.

**Article 33** When the Company convenes the general meeting, distributes dividends, conducts liquidation or engages in other acts requiring the identification of shareholders, the Board of Directors or the convener of the general meeting should determine the record date. The shareholders whose names appear on the register of shareholders after the trading hours on the record date shall be those entitled to the relevant rights and interests.

**Article 34** Shareholders of the Company have the following rights:

- (1) speak and vote at general meetings, unless required to abstain from voting on specific matters pursuant to the regulations of the Listing Rules of Hong Kong Stock Exchange;
- (2) have dividends and other forms of distribution of benefits based on the number of shares held by them;
- (3) lawfully request, convene, preside over, attend or appoint a shareholder's proxy to attend the general meeting, and exercise the corresponding speaking and voting rights;
- (4) supervise the operation of the Company and put forward suggestions or inquiries;
- (5) transfer, gift or pledge the shares held by it in accordance with the laws, administrative regulations and the Articles of Association;

(6) inspect and make copies of the Articles of Association, the register of shareholders, minutes of general meetings, resolutions of the Board and financial and accounting reports, shareholders who meet the requirements may inspect the Company's accounting books and accounting certificates;

(7) at the time of termination or liquidation, the Company shall participate in the distribution of the remaining assets of the Company according to the shares held by it;

(8) a shareholder who disagrees with the resolution on the merger or division of the Company made by the general meeting shall require the Company to purchase its shares;

(9) inspect the branch register of shareholders in Hong Kong, but the Company may close the register on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

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

**Article 35** A shareholder requesting to inspect or copy materials of the Company shall comply with the provisions of the Company Law, the Securities Law, the Listing Rules of the Hong Kong Stock Exchange, and the securities regulatory rules of the place where the Company's shares are listed, as well as other applicable laws and administrative regulations. The shareholder shall submit to the Company written documentation evidencing the class and quantity of shares held. Upon verification of the shareholder's identity, the Company shall provide the requested materials in accordance with the shareholder's requirements.

**Article 36** If the resolutions of the general meeting or the Board of Directors of the Company violate the laws or administrative regulations, the shareholders shall have the right to request the people's court to determine that the resolutions are invalid.

If the procedures for convening the meetings of the general meeting or the Board of Directors, or the way of voting violates the provisions of the laws, administrative regulations or the Articles of Association of the Company, or the content of the resolutions violates the provisions of the Articles of Association of the Company, the shareholders shall have the right to request the people's court to revoke the resolutions within 60 days from the date when the resolutions are made, unless there is only a minor defect in the procedures for convening a general meeting or the Board meeting or in the manner of voting thereat, which does not materially affect the resolution.

Where the Board of Directors, shareholders and other stakeholders dispute the validity of a resolution of a general meeting, they shall promptly file a litigation with the people's court. Before the people's court makes a judgement or ruling, such as revocation of a resolution, the stakeholders shall execute the resolution of the general meeting. The Company, directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where a people's court renders a judgment or ruling on relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchange where the Company's shares are listed, fully explain the impact, and actively cooperate with enforcement after the judgment or ruling takes effect. Where corrections to prior matters are involved, the Company shall promptly address them and fulfill corresponding information disclosure obligations.

**Article 37** Resolutions of a general meeting or the Board of the Company shall not be established in any of the following circumstances:

- (1) a general meeting or a meeting of the Board was not convened to make the resolution;
- (2) the resolution was not voted at a general meeting or a meeting of the Board;
- (3) the number of attenders or the number of voting rights held does not reach the quorum or the number of voting rights held as provided for in the Company Law or the Articles of Association;
- (4) the number of attenders in favor of the resolution or the number of voting rights held does not reach the quorum or the number of voting rights held as provided for in the Company Law or the Articles of Association.

**Article 38** Where the Company incurs losses as a result of directors' and senior management' (other than the Audit Committee members) violation of the laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, shareholders individually or jointly holding 1% or more of the shares for more than 180 consecutive days shall be entitled to request in writing the Audit Committee to initiate litigations in the people's court. Where the Company incurs losses as a result of the Audit Committee members' violation of the laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, the abovementioned shareholders shall be entitled to request in writing the Board to initiate litigations in the people's court.

In the event that the Audit Committee or the Board refuses to initiate litigations after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such litigations within 30 days from the date on which such request is received, or in case of emergency where failure to initiate such litigations immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate litigations in the people's court directly in their own names in the interest of the Company.

Shareholders described in the first paragraph of this Article may also initiate litigations in the people's court in accordance with the preceding two paragraphs in the event that the lawful interests of the Company are infringed upon by any third parties and the Company incurs losses.

Where a director, supervisor or senior management of a wholly-owned subsidiary of the Company violates the laws, administrative regulations or the Articles of Association in the course of performing his/her duties, resulting in losses to the Company, or in the event that any third parties infringe upon the lawful interests of a wholly-owned subsidiary of the Company, resulting in losses, shareholders individually or jointly holding 1% or more of the shares of the Company for more than 180 consecutive days may, according to the first three paragraphs of Article 189 of the Company Law, request in writing the board of supervisors or board of the wholly-owned subsidiary to file a litigation with a people's court or may directly file a litigation with the people's court in his/her own name. Where a wholly-owned subsidiary of the Company does not have a board of supervisors or supervisors, but does have an audit committee, the first and second paragraphs of this Article shall prevail.



**Article 39** Where any director or senior management violates the provisions of laws, administrative regulations or the Articles of Association, damaging the interests of shareholders, the shareholders may file a litigation with the people's court.

**Article 40** Shareholders of the Company have the following obligations:

- (1) comply with laws, administrative regulations and the Articles of Association;
- (2) pay the share capital in accordance with the shares subscribed for and the manner of share purchase;
- (3) shall not withdraw the shares except for the circumstances stipulated by laws and regulations;
- (4) shall not abuse the rights of shareholders to damage the interests of the Company or other shareholders; not to abuse the independent status of the Company as a legal person and the limited liability of shareholders to damage the interests of the creditors of the Company;
- (5) other obligations stipulated by laws, administrative regulations, the Articles of Association and securities regulatory rules of the place where the Company's shares are listed.

**Article 41** Any shareholder who abuses shareholders' rights and causes the Company or other shareholders to suffer a loss shall be liable for making compensation in accordance with law. Any shareholder who abuses the independent status of the Company as a legal person or the limited liability of shareholders to evade debts and causes severe harm to the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

## **Section 2 Controlling Shareholders and De Facto Controllers**

**Article 42** The controlling shareholders and de facto controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the rules of the CSRC and the stock exchange where the Company's shares are listed, safeguarding the interests of the listed company.

**Article 43** The controlling shareholders and de facto controllers of the Company shall comply with the following provisions:

- (1) to exercise shareholder rights lawfully, and shall not abuse controlling rights or utilize connected relationships to harm the legitimate interests of the Company or other shareholders;
- (2) to strictly implement the public statements and undertakings made and shall not change or waive them;
- (3) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure, promptly inform the Company of material events that have occurred or are proposed to occur;
- (4) not to appropriate the Company's funds in any way;
- (5) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(6) not to make use of the Company's undisclosed material information to gain benefits, not to disclose in any way undisclosed material information relating to the Company, not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;

(7) not to harm the legitimate interests of the Company and other shareholders through non-arm's length connected transactions, profit distributions, asset reorganizations, external investments or any other means;

(8) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organization and business, and not to affect the independence of the Company in any way;

(9) laws, administrative regulations, provisions of the CSRC, securities regulatory rules of the place where the Company's shares are listed, and other provisions of the Articles of Association.

The provisions regarding the fiduciary duties and diligence obligations of directors under the Articles of Association shall apply to the controlling shareholders or de facto controllers of the Company who do not serve as directors but actually execute the affairs of the Company.

Where a controlling shareholder or de facto controller of the Company instructs a director or senior management to harm the interests of the Company or the shareholders, he/she shall bear joint and several liability with such director or senior management.

**Article 44** Where a controlling shareholder or de facto controller pledges the shares of the Company that he/she holds or actually controls, he/she shall maintain the stability of the Company's control and production operations.

**Article 45** Where a controlling shareholder or de facto controller transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in the laws, administrative regulations, the provisions of the CSRC and the stock exchange where the Company's shares are listed, as well as his/her undertakings in respect of the restriction on the transfer of shares.

### **Section 3 General Provisions on General Meeting**

**Article 46** The general meeting of the Company is composed of all shareholders. The general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law:

- (1) elect and replace directors, and decide on the remuneration of directors;
- (2) consider and approve the report of the Board;
- (3) consider and approve the Company's profit distribution plan and loss recovery plan;
- (4) make resolutions on the increase or decrease of the registered capital of the Company;
- (5) make resolutions on the issuance of corporate bonds by the Company;



- (6) make resolutions on the merger, division, dissolution, liquidation of the Company or change of the Company's form;
- (7) amend the Articles of Association;
- (8) make resolutions on the appointment and dismissal as well as the remuneration of the accounting firm responsible for the auditing of the Company;
- (9) consider and approve the guarantee matters stipulated in Article 47 of the Articles of Association;
- (10) consider the purchase or sale of material assets by the Company in excess of 30% of the Company's most recent audited total assets within one year;
- (11) consider and approve the changes in the use of proceeds;
- (12) consider share incentive plans and employee share ownership plans;
- (13) consider other matters that shall be decided by the general meeting as provided in the laws, administrative regulations, departmental rules, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

The general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds. The issuance of corporate bonds resolved by the general meeting or authorized by the general meeting to be resolved by the Board of Directors shall be carried out in compliance with the laws, administrative regulations, and the requirements of the CSRC and the Hong Kong Stock Exchange.

Except as otherwise provided by laws, administrative regulations, the requirements of the CSRC or the securities regulatory rules of the place where the Company's shares are listed, the powers and functions of the general meeting referred to in the first paragraph of this Article shall not be exercised by the Board of Directors or other organizations and individuals by way of authorization.

**Article 47** The following external guarantees of the Company shall be considered and approved by the general meeting:

- (1) any guarantee provided after the total amount of guarantees provided by the Company and its controlled subsidiaries to external parties exceeding 50% of the latest audited net assets of the Company;
- (2) any guarantee provided after the total amount of external guarantees provided by the Company exceeding 30% of the latest audited total assets of the Company;
- (3) any guarantee provided to others by the Company within one year of a value exceeding 30% of the latest audited total assets of the Company;
- (4) any guarantee provided to a party with an asset-liability ratio of over 70%;
- (5) any guarantee with a single guarantee amount exceeding 10% of the latest audited net assets;

(6) any guarantee provided to shareholders, de facto controllers and their related parties;

(7) other guarantees that shall be considered by the general meeting as stipulated by laws, regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

**Article 48** The general meetings are classified into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months of the end of the previous accounting year.

**Article 49** Under any of the following circumstances, the Company shall convene an extraordinary general meeting within 2 months from the date of occurrence:

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

(2) the unrecovered loss of the Company reaches one-third of the total share capital;

(3) at the request of shareholders who individually or collectively hold more than 10% of the shares (including preference shares with voting rights restored, etc.) of the Company;

(4) when the Board deems it necessary;

(5) when the Audit Committee proposes to convene;

(6) other circumstances stipulated by laws, administrative regulations, departmental rules or the Articles of Association of the Company.

**Article 50** The Company shall convene a general meeting at its domicile or other place as indicated in the notice of the meeting. A meeting venue shall be set up and the general meeting shall be convened by way of on-site meeting. To the extent permitted by the securities regulatory rules of the place where the Company's shares are listed, the Company may provide online voting method to facilitate the shareholders.

#### **Section 4 Convening of General Meeting**

**Article 51** The Board shall convene the general meeting on time within the specified period.

Subject to the consent of more than half of all the independent directors, the independent directors have the right to propose to the Board to convene an extraordinary general meeting. With regard to the proposal made by the independent directors for convening an extraordinary general meeting, the Board shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, a notice of convening the general meeting shall be issued within 5 days after the resolution of the Board is made. Where the Board does not agree to convene the extraordinary general meeting, it shall provide reasons and make an announcement.

**Article 52** The Audit Committee shall propose to the Board to convene of an extraordinary general meeting in writing. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

Where the Board agrees to convene the extraordinary general meeting, a notice of convening the general meeting shall be issued within 5 days after the resolution of the Board is made, and the changes to the original proposal in the notice shall be agreed with the Audit Committee.

Where the Board does not agree to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the proposal, the Board shall be deemed to be unable to perform or fail to perform its duties of convening the general meeting, and the Audit Committee may convene and preside over the meeting by itself.

**Article 53** Shareholders who individually or collectively hold more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) have the right to request the Board to convene an extraordinary general meeting in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the request.

Where the Board agrees to convene the extraordinary general meeting, a notice of convening the general meeting shall be issued within 5 days after the resolution of the Board is made, and the changes to the original request in the notice shall be agreed with relevant shareholders.

Where the Board does not agree to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders individually or collectively holding more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) have the right to propose to the Audit Committee to convene an extraordinary general meeting in writing.

Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene the general meeting within 5 days of receiving the request, and the changes to the original request in the notice shall be agreed with relevant shareholders.

Where the Audit Committee fails to issue a notice of the general meeting within the prescribed period, the Audit Committee shall be deemed to not convene or preside over the general meeting, and the shareholders who individually or collectively hold more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) for more than 90 consecutive days may convene and preside over the meeting on their own.

**Article 54** Where the Audit Committee or the shareholders decide to convene a general meeting on its/their own, the Audit Committee or such shareholders shall notify the Board in writing. Where there are any other provisions of securities regulatory rules of the place where the Company's shares are listed and without violating domestic laws, administrative regulations or the Articles of Association, such provisions shall prevail.

Where there are any other provisions of securities regulatory rules of the place where the Company's shares are listed in respect of issuing the notice of the general meeting and announcing any resolution of the general meeting by the Audit Committee or convening shareholders, and without violating domestic laws, administrative regulations or the Articles of Association, such provisions shall prevail.

Before announcing any resolution of the general meeting, the convening shareholders shall have a shareholding (including preference shares with voting rights restored, etc.) of no less than 10%.

**Article 55** For the general meetings convened by the Audit Committee or shareholders, the Board and the secretary to the Board shall work in a cooperative manner. The Board shall provide the register of shareholders of the record date.

**Article 56** Where the Audit Committee or shareholders decide to convene the general meeting on its/their own, the Company shall bear all necessary expenses in relation to the meeting.

## **Section 5 Proposal and Notice for General Meeting**

**Article 57** The content of the proposal should fall within the scope of functions of the general meeting, have clear topics and specific resolution matters, and comply with the relevant provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and Articles of Association.

**Article 58** When the Company convenes a general meeting, the Board, the Audit Committee and shareholders individually or jointly holding more than 1% of the Company's shares have the right to propose proposals to the Company.

Shareholders who individually or collectively hold 1% or more of the Company's shares may make a provisional proposal and submit it in writing to the convener 10 days before the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days of receipt of the proposal, announcing the content of the provisional proposal, and the provisional proposal shall be submitted to the general meeting for deliberation, unless the provisional proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall into the scope of functions of the general meeting.

Save for the circumstances specified in the preceding paragraph, the convener shall not modify the proposals listed in the notice of general meeting or add new proposals after issuing the notice of general meeting.

Proposals that are not listed in the notice of general meeting or do not comply with the provisions of the Articles of Association shall not be voted on and resolutions made by the general meeting.

**Article 59** The convener will notify shareholders by announcement 20 days before the annual general meeting, and for the extraordinary general meeting, shareholders will be notified by announcement 15 days before the meeting. When calculating the starting period, the Company shall not include the date of the meeting. Notice of general meeting shall be given to shareholders in a manner consistent with the laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

**Article 60** The notice of the general meeting includes the following:

- (1) time, place and duration of the meeting;
- (2) matters and proposals submitted to the meeting for consideration;

(3) explain in obvious words: All shareholders have the right to attend the general meeting and can entrust a proxy in writing to attend the meeting and participate in voting. The shareholder's proxy does not have to be a shareholder of the Company;

- (4) record date of shareholders who have the right to attend the general meeting;
- (5) name and telephone number of the permanent contact person for conference affairs;
- (6) voting time and voting procedures online or by other means.

All specific contents of all proposals shall be fully and completely disclosed in the general meeting notice and supplementary notice.

**Article 61** Where the election of directors is to be discussed at the general meeting, the notice of the general meeting shall fully disclose the particulars of the director candidates and shall at least include the following:

- (1) personal information, such as education level, working experiences and any part time work undertaken;
- (2) whether there is any relationship with the Company, its controlling shareholders, or de facto controllers that would constitute a connected party relationship;
- (3) the number of shares held in the Company;
- (4) whether or not the candidate has been subject to penalties by the CSRC or other relevant authorities as well as sanctions by any stock exchange.

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

**Article 62** After the notice of the general meeting has been given, the general meeting shall not be postponed or cancelled without justifiable reasons, and the proposals specified in the notice of the general meeting shall not be cancelled. In case of postponement or cancellation, the convener shall send a notice at least 2 working days before the scheduled date and explain the reasons. Where the securities regulatory rules of the place where the Company's shares are listed have special provisions on the procedures for postponing or canceling the general meeting, such provisions shall prevail on the premise of not violating the domestic regulatory requirements.

## **Section 6 Holding of General Meeting**

**Article 63** The the Board of the Company and other conveners shall take necessary measures to ensure the normal order of the general meeting. Measures shall be taken to stop any behavior that interferes with the operation of the meeting, provokes troubles and infringes upon the legitimate rights and interests of shareholders, which shall also be reported to the relevant departments for investigation and punishment in a timely manner.

**Article 64** All shareholders registered on the record date or their proxies are entitled to attend the general meeting, and shall exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association.

Shareholders may attend the general meeting in person or entrust a proxy to attend and vote on their behalf. Each shareholder has the right to appoint one or more proxies, but the proxy(ies) does(do) not need to be a shareholder of the Company. The proxy(ies) may exercise the following rights in accordance with the entrustment of such shareholder:

- (1) the shareholder's right to speak at a general meeting;
- (2) individually, or collectively with others, request to vote by poll;
- (3) exercise the right to vote by hands or on a poll, unless otherwise prescribed by relevant laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange or other securities regulatory rules of the place where the Company's shares are listed.

**Article 65** If an individual shareholder attends the meeting in person, he/she shall produce his/her identity card or other valid documents or certificates that can identify him/herself, if a shareholder authorizes a proxy to attends a meeting on his/her behalf, the proxy shall produce his/her own valid identity card and the power of attorney from the shareholder.

Legal person shareholders shall be represented by their legal representative or a proxy entrusted by the legal representative to attend the meeting. If a legal representative attends the meeting, he or she shall present his or her identity card and a valid certificate proving his or her qualifications as a legal representative; if a proxy is appointed to attend the meeting, the proxy shall present his or her identity card and a written power of attorney issued by the legal representative of the legal person shareholder unit in accordance with the law (except where the shareholder is a recognized clearing house or its proxy (hereinafter referred to as the "Recognized Clearing House") as defined in the relevant regulations of Hong Kong law in force from time to time or the securities regulatory rules of the place where the Company's shares are listed).

If the shareholder is a Recognized Clearing House (or its proxy), the Recognized Clearing House may authorize one or more persons it considers appropriate to act as its representative at any general meeting or any creditors' meeting; however, if more than one person is authorized, the power of attorney should specify the number and type of shares for each such person authorized by such authorization. A person so authorized may exercise rights on behalf of a Recognized Clearing House (without showing shareholding certificates, subject to notarized authorization and/or further evidence confirming that it is duly authorized) as if such person were an individual shareholder in the Company.



**Article 66** The power of attorney issued by a shareholder to entrust others to attend the general meeting shall specify the following contents:

(1) the name of the trustor, the class and number of shares held in the Company;

(2) the name of the proxy;

(3) the matters for proxy and the scope of authorization, specific instructions from shareholders, including instructions to vote for, against or abstain from voting on each and every issue included in the agenda of the general meeting;

(4) the date of issuance and validity period of the power of attorney;

(5) signature (or seal) of the trustor. If the trustor is a legal person shareholder, the seal of the legal person entity shall be affixed.

**Article 67** If the power of attorney for proxy voting is signed by the authorized person of the trustor, the letter of authority for signing or other authorization documents shall be notarized. The notarized letter of authority or other authorization documents and the power of attorney for proxy voting shall be maintained at the domicile of the Company or other places specified in the meeting notice. The power of attorney for proxy voting shall be deposited at the domicile of the Company or such other places designated in the notice of the meeting 24 hours before the meeting at which the proxy is authorized to vote or 24 hours before the specified voting time.

If the trustor is a legal person, its legal representative or the person authorized by the Board or other decision-making authorities shall attend the general meeting of the Company on its behalf.

**Article 68** The Company shall be responsible for the preparation of the meeting attendance register. The meeting attendance register shall state the name (or name of the entity), personal identification number, number of shares with voting rights held or represented, name of person being represented (or name of the entity), and other matters of the persons attending the meeting.

**Article 69** The convener shall verify the legality of shareholder qualifications based on the register of shareholders provided by the securities registration and clearing agency, and register the names of shareholders and the number of shares with voting rights they hold. Registration for the meeting shall be terminated before the host of the meeting announces the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held.

**Article 70** Where a director or senior management is required to attend a general meeting, such director or senior management shall attend the meeting and answer the inquiries from shareholders.

**Article 71** A general meeting shall be presided over by the chairman of the Board. In the event that the chairman is unable to or fails to perform his/her duties, the vice chairman (if there are two or more vice chairmen, the one jointly elected by more than half of the directors shall preside over the meeting) shall preside over the meeting. In the event that the vice chairman is also unable to or fails to perform his/her duties, a director jointly elected by more than half of the directors shall preside over the meeting.

If a general meeting is convened by the Audit Committee, such meeting is presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is incapable of performing or is not performing his/her duties, a member jointly elected by more than half of the members of the Audit Committee shall preside.

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

In a general meeting, if the chairperson of the meeting contravenes the rules of procedure, making the meeting impossible to proceed, with consent from more than one-half of the attending shareholders with voting rights, the shareholders may elect one person to serve as the chairperson and continue with the meeting.

**Article 72** The Company shall formulate the rules of procedure of the general meeting to specify in details the convening, holding and voting procedures of the general meeting, including notice, registration, deliberation of proposal, voting, vote counting, announcement of voting results, formation of resolutions, minutes, the signing thereof and announcement, as well as the principles of authorization by the general meeting to the Board, of which the contents shall be clear and specific.

The rules of procedures for the general meeting shall be attached hereto as an appendix, and formulated by the Board and approved by the general meeting.

**Article 73** At the annual general meeting, the Board shall report their work in the past year to the general meeting. Each independent director shall also present a work report.

**Article 74** Directors and senior management shall give explanations and clarifications in response to shareholders' queries and suggestions at general meetings.

**Article 75** Prior to voting, the chairperson of the meeting shall announce the number of shareholders and proxies present and the total number of voting shares held by them. The number of shareholders and proxies present and the total number of voting shares held by them shall be that as stated in the registration of the meeting.

**Article 76** General meetings shall have minutes, which shall be maintained by the secretary to the Board. The minutes shall state the following contents:

- (1) time, venue, agenda of the meeting and names of the convener;
- (2) the name of the chairperson of the meeting, and the names of the attending directors and senior management;
- (3) the numbers of shareholders and proxies attending the meeting, the total number of voting shares held by them and their respective proportions in the total number of shares of the Company;
- (4) the process of review and discussion, a summary of any speech and voting results of each proposal;
- (5) questions and proposals put forward by shareholders and the answers or explanation thereof;



- (6) names of vote counters and scrutinizer;
- (7) other contents to be recorded in the minutes as specified in the Articles of Association.

**Article 77** The convener shall ensure that the minutes of the meeting accurately and completely reflect the content of the meeting. The attending directors, the secretary to the Board, the convener or their representative, and the chairperson of the meeting shall sign the minutes of the meeting. The minutes shall be kept together with the register of signatures of shareholders attending on site and the power of attorney for proxy attendance, validity information on voting by internet and other means, for a period of not less than ten years.

**Article 78** The convener shall guarantee that the general meeting continues until the final resolution has been adopted. If the general meeting is suspended or the resolution cannot be made due to force majeure or other special causes, necessary measures shall be taken to resume the general meeting as soon as possible or directly terminate the general meeting, and an announcement shall be made in time. Where there are any other provisions of securities regulatory rules of the place where the Company's shares are listed and without violating domestic laws, administrative regulations or the Articles of Association, such provisions shall prevail.

## **Section 7 Voting and Resolutions of General Meeting**

**Article 79** Resolutions of general meetings are divided into ordinary resolutions and special resolutions.

Ordinary resolutions made on the general meeting shall be passed by more than half of the voting rights held by shareholders (including shareholders' proxies) present at the general meeting.

Special resolutions made on a general meeting shall be passed by more than two-thirds of the voting rights held by shareholders (including shareholders' proxies) present at the general meeting.

**Article 80** The following matters shall be passed by ordinary resolutions at the general meeting:

- (1) work reports of the Board;
- (2) the profit distribution plan and loss recovery plan drawn up by the Board;
- (3) the appointment and removal of members of the Board and their remuneration and payment methods;
- (4) the appointment, dismissal or non-renewal of the accounting firm and its remuneration;
- (5) the annual report of the Company;
- (6) other matters other than those required to be passed by special resolutions under laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

**Article 81** The following matters shall be passed by special resolutions at the general meeting:

- (1) the Company increases or decreases its registered capital;
- (2) the division, spin-off, merger, dissolution and liquidation of the Company;
- (3) modification of the Articles of Association;
- (4) the Company purchases or sells major assets within one year or the amount of guarantee provided to others exceeds 30% of the Company's latest audited total assets;
- (5) equity incentive plan;
- (6) other matters that are stipulated in laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, as well as those that are determined by the general meeting to have a significant impact on the Company through ordinary resolutions and need to be passed through special resolutions.

**Article 82** Shareholders (including shareholders' proxies) exercise their voting rights based on the number of voting shares they represent, and each share is entitled to one vote. When voting, shareholders (including shareholders' proxies) with two or more voting rights do not have to vote for, against all voting rights or abstaining from voting. However, the Company's shares held by the Company carry no voting rights, and such shares are not included in the total number of voting shares held by shareholders present.

When the general meeting considers major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of separate vote counting shall be disclosed to the public in a timely manner.

The Company's shares held by the Company carry no voting rights, and such shares are not included in the total number of voting shares held by shareholders present.

According to applicable laws and regulations and the Listing Rules of the Hong Kong Stock Exchange, if any shareholder is required to give up voting rights on a certain resolution, or any shareholder is restricted from voting in support of (or against) a certain resolution, such votes cast by such shareholders or their representatives in violation of relevant regulations or restrictions shall not be counted in the total number of shares with voting rights.

If a shareholder violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law by purchasing shares of the Company with voting rights, the shares exceeding the prescribed proportion shall not exercise voting rights within 36 months after purchase and is not included in the total number of shares with voting rights present at the general meeting.

The Board, independent directors and shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit shareholder voting rights. When soliciting shareholder voting rights, specific voting intentions and other information must be fully disclosed to the persons being solicited. It is prohibited to collect voting rights from shareholders through paid or disguised payment methods. Except for statutory conditions, the Company may not impose minimum shareholding ratio restrictions on the solicitation of voting rights.

**Article 83** When the matters of connected transactions are considered at general meeting, the connected shareholders shall be entitled to make an appropriate statement regarding the matter but shall not vote, and the number of voting shares held by it shall not be included in the total number of valid votes. The announcement on resolution of general meeting shall fully disclose the voting results of non-connected shareholders.

The avoidance and voting procedures for the general meeting when deliberating connected transaction matters shall comply with the relevant national laws and regulations, the Listing Rules of the Hong Kong Stock Exchange, and the regulatory requirements of the securities regulatory authority of the place where the Company's shares are listed.

**Article 84** Except in exceptional circumstances, such as when the Company is in crisis, without prior approval by the special resolution of the general meeting, the Company will not enter into any contract with persons other than a director and senior management whereby the management of all or substantial parts of the business of the Company shall be vested in such contracting person(s).

**Article 85** The list of recommended candidates for directors shall be submitted to the general meeting for voting by way of proposal.

The general meeting shall adopt the cumulative voting system for the election of directors in cases involving the following circumstances:

(1) when electing two or more independent directors;

(2) where the Company's single shareholder and its person acting in concert hold 30% or more of the Company's shares, it shall elect two or more directors.

Where the general meeting elects directors by cumulative voting, the voting for independent directors and other directors shall be conducted separately, and the directors to be elected shall be determined in descending order of the number of votes received, based on the number of directors to be elected. Where cumulative voting is not applied, each candidate for directors shall be submitted by single proposal.

The cumulative voting system referred to in the preceding paragraph means a system where in the election of directors at a general meeting, the voting rights carried by each share is equal to the number of the directors to be elected, and the voting rights held by a shareholder may be used collectively in voting.

**Article 86** Except for cumulative voting system, all proposals proposed at the general meeting shall be voted separately, and for different proposals on the same matter, voting will be conducted according to the time the proposals are proposed. Other than special reasons such as force majeure, which results in the interruption of the general meeting or makes it impossible to make resolutions, the general meeting shall not set aside the proposals and shall vote on them.

**Article 87** When considering a proposal at the general meeting, no amendment shall be made thereto. Otherwise, such amendment shall be treated as a new proposal and shall not be voted at such general meeting.

**Article 88** Only one of the on-site, online or other voting methods can be selected for the same voting right. In the event of duplicate votes on the same voting right, the result of the first vote shall prevail.

**Article 89** Any vote of shareholders at a general meeting shall be taken by registered form.

**Article 90** Before voting on a proposal at the general meeting, two shareholders' representatives shall be elected to participate in counting and scrutinizing the votes. For the connected shareholders having interests in the item to be considered, such shareholders and their proxies shall not participate in vote counting or scrutiny.

When a proposal is voted on at a general meeting, the shareholder's representative shall be responsible for counting and scrutinizing the votes, and the results of the vote shall be announced on site, and the results of the vote on the resolution shall be recorded in the minutes of the meeting.

Shareholders or proxies of the Company who vote online or by other means shall have the right to verify their voting results through the corresponding voting system.

**Article 91** The on-site general meeting shall end no earlier than the meeting held online or otherwise. The chairperson of the meeting shall announce the outcome and results of the vote on each proposal, and whether or not such proposal has been passed according to such voting results.

Prior to the formal announcement of voting results, the relevant parties such as the companies, the vote counters and scrutinizer, shareholders, the internet service provider involved in relation to voting at the on-site general meeting, online or by other means, shall be obliged to keep the status of voting confidential.

**Article 92** The shareholders attending the general meeting shall deliver one of the following kinds of opinion on the proposals put forward for voting: consent, objection or abstention, except where the securities registration and settlement institution, as the nominee holder of the shares traded under the Mainland-Hong Kong Stock Connect, or a recognized clearing house or its agent as the nominal holder as defined in the relevant ordinances from time to time in force under the laws of Hong Kong, makes the declaration in accordance with the intention of the actual holder.

Any votes which are uncompleted, erroneously completed or illegible or votes that have not been cast shall be counted as an abstention of voting rights by the voters and the voting results of the number of shares they hold shall be counted as "abstain".

**Article 93** If the chairperson of the meeting has any doubt about the result of the resolution submitted for voting, he/she may conduct a vote-counting. If the chairperson of the meeting does not conduct a vote-counting, and the shareholders or proxies attending the meeting have any doubt about the results announced by the chairperson of the meeting, they shall have the right to ask for a vote-counting immediately after the announcement of the voting results, and the chairperson of the meeting should immediately conduct the vote-counting.

**Article 94** Resolutions of general meeting shall be announced in a timely manner, and such announcements shall set forth the number of shareholders and proxies present at the meeting, the total number of voting shares and the proportion to the total number of voting shares of the Company, the manner of voting, the voting results on each proposal and detailed information of each resolution approved by the meeting.

**Article 95** If any proposal is not adopted, or the current general meeting amends the resolution of the last general meeting, special reminder thereof shall be given in the announcement of the resolutions of the general meeting.

**Article 96** Where the general meeting passes a proposal relating to the election of directors, the newly elected directors shall take office from the date on which the relevant resolution of the general meeting is passed (if otherwise provided by the resolution of the general meeting, such provisions shall apply to the extent that they do not contravene the domestic laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association).

**Article 97** If the proposal in relation to the payment of cash dividends, the issue of bonus shares or capitalization of capital reserves is passed at the general meeting, the Company will implement the specific plan within 2 months after the conclusion of the general meeting. If the specific plan cannot be implemented within 2 months due to the requirements of the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such regulations and the actual situation.

## **CHAPTER 5 DIRECTORS AND BOARD OF DIRECTORS**

### **Section 1 General Provisions on Directors**

**Article 98** A director of the Company who is a natural person may not act as a director of the Company under any of the following circumstances:

- (1) have no capacity for civil conduct or have limited capacity for civil conduct;
- (2) if sentenced to a criminal penalty for corruption, bribery, misappropriation of property, misappropriation of property or undermining the order of the socialist market economy, or is deprived of political rights for a crime, and if the execution period has not expired for more than 5 years and the person is sentenced to probation, and it has not been more than 2 years since the expiration of the probation period;
- (3) serving as a director, factory director or manager of a company or enterprise undergoing bankruptcy liquidation, and being personally responsible for the bankruptcy of such company or enterprise, and it has been less than 3 years since the date of completion of the bankruptcy liquidation of such company or enterprise;
- (4) serving as the legal representative of a company or enterprise that has had its business license revoked or ordered to close due to illegal activities with bearing personal responsibility, and it has not been more than 3 years since such company or enterprise was revoked of its business license or ordered to close;
- (5) listed as a dishonest person subject to execution by the people's court since a relatively large amount of debt has not been paid off when due;
- (6) be taken measures by CSRC to prohibit entry into the securities market with the time limit not expired;

(7) be recognized as unsuitable to be a director, senior management, etc. of a listed company by the securities regulatory rules of the place where the Company's shares are listed with the time limit not expired;

(8) other contents stipulated in laws, administrative regulations, departmental rules or securities regulatory rules of the place where the Company's shares are listed.

The election and appointment of any director in violation of the provisions of this Article shall be invalid and void. Any director who becomes disqualified during his/her term of office pursuant to this Article shall be removed from office by the Company and cease his/her performance of duties.

**Article 99** Directors are elected or changed by the general meeting and may be removed from office by the general meeting before the expiration of their term. The term of directors is three years. Upon expiration of the term, directors may be re-elected.

The term of office of a director shall be calculated from the date of assuming office until the expiration of the term of the current Board. If a director's term of office expires and is not re-elected in time, until the re-elected director takes office, the original director shall still perform his or her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

A director appointed by the Board to fill a casual vacancy or to increase the number of members of the Board shall hold office for a term commencing from the date of his or her appointment until the first annual general meeting after his or her appointment, and shall be eligible for re-election by then.

The senior management may concurrently serve as a director.

The Board of the Company shall have one employee representative director, who shall be democratically elected by the employees of the Company through the employee representative meeting or other forms, without submitting it to the general meeting for consideration.

**Article 100** Directors shall comply with the provisions of laws, administrative regulations and the Articles of Association, shall bear the duty of loyalty to the Company, shall take measures to avoid any conflict between their own interests and the interests of the Company, and shall not use their powers to gain improper advantage.

Each director has the following obligations of loyalty to the Company:

- (1) not to expropriate the Company's property and misappropriate the Company's funds;
- (2) not to open any account in his own name or in others' name for the deposit of the Company's funds;
- (3) not to bribe or accept other illegal income by advantage of its duties;
- (4) no contract or transaction with the Company directly or indirectly if it fails to report to the Board or general meeting and is not approved by a resolution of the Board or general meeting;



(5) not to take advantage of their positions to procure business opportunities which should be available to the Company for themselves or others, unless it is reported to the Board or general meeting and approved by a resolution of the general meeting, or the Company is unable to take advantage of the business opportunity in accordance with laws, administrative regulations or the Articles of Association;

(6) not to operate business similar to that of the Company on its own or for others without reporting to the Board or general meeting and approval by a resolution of the general meeting;

(7) not to accept and possess any commission for any transaction with the Company;

(8) not to disclose confidential information of the Company without authorization;

(9) not to make use of their related-party relationship to harm the interests of the Company;

(10) to be bound by other obligations of loyalty stipulated by the laws, administrative regulations, departmental regulations, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Any income of any director in breach of this provision shall be owned by the Company; if such breach causes loss to the Company, the director shall be liable for compensation.

The provisions of item (4) of the paragraph 2 of this Article shall apply if any near relatives of the directors or senior management, or any of the enterprises directly or indirectly controlled by the directors or senior management or any of their near relatives, or any related parties with any other related-party relationship with the directors or senior management, concludes a contract or conducts a transaction with the Company.

**Article 101** Directors shall observe the provisions of laws, administrative regulations and the Articles of Association and owes towards the Company obligations of diligence, and shall exercise reasonable care generally due to managers in the best interests of the Company.

Directors shall fulfill the following obligations of diligence:

(1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with national laws, administrative regulations and economic policies and are within the business scope specified in the business license;

(2) to treat all shareholders impartially;

(3) to keep abreast of the business and management of the Company;

(4) to sign the regular reports of the Company for confirmation, and to ensure the information disclosed by the Company is true, accurate and complete;

(5) to honestly provide the Audit Committee with relevant information and data, and not to interfere with the Audit Committee in performing their duties and powers;

(6) to fulfill other due diligence obligations stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

**Article 102** If a director neither attends the meeting of the Board in person nor entrusts other directors to attend the meeting for two consecutive times, such director shall be deemed to be unable to perform his/her duties, and the Board shall propose the general meeting to remove and replace such director.

**Article 103** Directors may resign before the expiration of their terms of office. A director's resignation shall be submitted in writing to the Company. The resignation shall take effect on the date when the Company receives the resignation report. The Board shall disclose the relevant situation within two trading days. If the resignation of a director results in the number of directors on the Board of the Company being lower than the legally prescribed minimum number, the original director shall continue to perform the duties of a director in accordance with the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association until the newly elected director takes office.

**Article 104** The Company has a system in place to manage the departure of directors, which specifies safeguards for pursuing and recovering liability for unfulfilled public commitments and other outstanding matters. When a director's resignation takes effect or his/her term of service expires, the director shall complete all transfer procedures with the Board. His/her fiduciary duty towards the Company and the shareholders shall not expire after the end of his term of service and will still be effective for a reasonable period specified by the Articles of Association.

The liability that a director bears during the term of office due to the performance of his/her duties shall not be waived or terminated upon leaving office.

**Article 105** The general meeting may resolve to dismiss a director, and the dismissal shall take effect on the date of the resolution.

If a director is dismissed without just cause before the end of his/her term, the director may seek compensation from the Company.

**Article 106** No directors shall act in their personal capacity on behalf of the Company or the Board beyond provisions of the Articles of Association or without appropriate authorization by the Board. The director shall, when acting in his/her personal capacity, state his/her standings and identities in advance if a third party has reasons to believe that the said director is acting on behalf of the Company or the Board.

**Article 107** If a director performs his/her duties in the Company and causes damage to others, the Company will be liable for compensation; if a director intentionally or grossly negligently commits any act, he/she shall also be liable for compensation.

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



## **Section 2 Board of Directors**

**Article 108** The Company shall set up a Board of Directors. The Board shall consist of 9 directors with 3 independent directors. The Board of the Company has one chairman of the Board in place. The chairman of the Board is elected by more than half of all of the directors.

**Article 109** The Board exercises the following functions and powers:

- (1) convene general meetings and report work to the general meeting;
- (2) implement the resolutions of the general meeting;
- (3) determine the Company's business plan and investment plan;
- (4) formulate the Company's profit distribution plan and loss recovery plan;
- (5) formulate plans for the Company to increase or reduce its registered capital, issue bonds or other securities and for the listing;
- (6) formulate plans for the Company's major acquisitions, the Company's acquisition of the Company's shares, or merger, division, dissolution and change of form of the Company;
- (7) determine external investments, purchases and sales of assets, pledge of assets, external guarantees, entrusted asset management, connected transactions and external donations of the Company within the scope of the authority granted by general meeting;
- (8) determine the establishment of the Company's internal management structure;
- (9) determine the appointment or removal of the general manager of the Company, the secretary to the Board and other senior management and to decide on their remunerations and rewards and penalties; to determine the appointment or removal of the deputy general manager, chief financial officer and other senior management of the Company based on the nomination by the general manager and to decide on matters about their remunerations and rewards and penalties;
- (10) formulate the basic management system of the Company;
- (11) formulate proposals for amendment to the Articles of Association;
- (12) manage information disclosure of the Company;
- (13) propose the appointment or removal of the accounting firm for the Company's audit to the general meeting;
- (14) receive the work report and inspect the work of the general manager of the Company;
- (15) other functions and powers conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the general meeting.

Any matters that are beyond the scope of authorization of the general meeting shall be submitted for consideration at the general meeting.

**Article 110** The Board shall explain to the general meeting for any non-standardized audit opinion on the financial report of the Company issued by a certified public accountant.

**Article 111** The Board shall formulate the rules of procedure of the Board to ensure that the Board will implement the resolutions approved at the general meeting, work efficiently and be scientific in decision making.

The Rules of Procedure for the Board shall be included in or made as an appendix to the Articles of Association, prepared by the Board and approved by the general meeting.

**Article 112** The Board shall formulate stringent examination and approval system to determine the authority with respect to external investments, purchases and sales of assets, pledge of assets, external guarantees, entrusted asset management, connected transactions and external donations, and organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the general meeting for approval.

**Article 113** The chairman of the Board exercises the following functions and powers:

- (1) preside over general meetings and convene and preside over Board meetings;
- (2) supervise and inspect the implementation of Board resolutions;
- (3) other functions and powers granted by the Board.

**Article 114** If the chairman of the Board is unable or fails to perform his or her duties, more than half of the directors shall jointly elect a director to perform such duties.

**Article 115** The Board shall meet at least 4 times a year, once a quarter, at the call of the chairman of the Board. Regular meetings of the Board referred to in this Article shall be notified in writing to all directors fourteen (14) days prior to the meeting.

**Article 116** Shareholders representing more than 1/10 of the voting rights, more than 1/3 of the directors or the Audit Committee may propose to convene an extraordinary meeting of the Board. The chairman of the Board shall convene and preside over the Board meeting within 10 days after receiving the proposal.

**Article 117** The methods of notification for the extraordinary meeting of the Board are: telephone notification and/or written notification (including personal delivery, mail, fax, and email). The notification time limit is: to notify all directors five (5) days prior to the meeting. With the unanimous consent of all directors, the convening of an extraordinary Board meeting may not be subject to the aforementioned notification time limit, but this shall be notified all directors promptly, recorded in the Board minutes and signed by all participating directors.

The first meeting after the re-election of the Board may be held on the day of re-election, and the time of the meeting is not restricted by the notification method and notification time mentioned in the paragraph 1.

**Article 118** The notification for the meeting of the Board shall include the following:

- (1) date and place of the meeting;
- (2) duration of the meeting;
- (3) reasons and issues;
- (4) date of issuance of notification.

**Article 119** Board meetings should be attended by more than half of the directors. Resolutions made by the Board should be approved by more than half of all directors.

Voting on resolutions of the Board is based on one person, one vote.

**Article 120** Directors who are related to the corporates or individuals involved in the matters resolved at the Board meeting shall promptly report to the Board in writing. The related directors may not exercise voting rights on the resolution, nor may they exercise voting rights on behalf of other directors. The Board meeting may be held if more than half of the unrelated directors are present, and resolutions made at the Board meeting shall be passed by more than half of the unrelated directors. If the number of unrelated directors present at the Board is less than 3, the matter shall be submitted to the general meeting for consideration.

**Article 121** The convening of meetings and voting of the Board shall be conducted by means of open name or show of hands.

The extraordinary Board meetings may be held and the resolution may be voted by written, communication means (including but not limited to audio or video and telephone) on the basis that directors' opinions can be expressed adequately. The attendance of directors at the Board meetings by communication means shall be deemed to be their attendance in person, and directors attending Board meetings by the aforesaid means shall be counted for the purpose of calculating quorum and votes.

**Article 122** Board meetings shall be attended by the director in person; if a director is unable to attend for any reason, he or she may authorize another director in writing to attend on his or her behalf. The power of attorney shall state the name of the proxy, matters of proxy, scope of authorization and validity period, and shall be signed or stamped by the trustor. Directors who attend meetings on their behalf shall exercise the rights of directors within the scope of authorization. If a director fails to attend a Board meeting or appoint a representative to attend, he or she shall be deemed to have given up his or her right to vote at the meeting.

**Article 123** The Board shall prepare the minutes for the decisions made concerning the matters considered at the Board meetings, which shall be signed by the attending directors.

The minutes of Board meetings shall be kept for the Company's record for no less than ten years.

**Article 124** The minutes of Board meetings shall include the following contents:

- (1) the date and venue of the meeting and the name of the convener;
- (2) the names of the directors present at the meeting and the names of the directors (proxies) appointed by others to attend the meeting;
- (3) agenda of the meeting;
- (4) main points made by the directors;
- (5) the voting method and result of each resolution (the voting result shall specify the number of votes for, against or abstention).

### **Section 3 Independent Directors**

**Article 125** The Company sets up independent directors. Unless otherwise stipulated in this Section, the Articles of Association on the qualifications and obligations of directors shall apply to independent directors. Independent directors shall earnestly perform their duties in accordance with laws, administrative regulations, CSRC, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and play the role of participation in decision-making, supervision and balance, and professional consultation in the Board, so as to safeguard the overall interests of the Company and protect the legitimate rights of minority shareholders.

**Article 126** The qualifications, nomination and election procedures, term of office and other matters of independent directors shall be subject to relevant provisions of laws, administrative regulations, relevant rules of CSRC and Hong Kong Stock Exchange.

### **Section 4 Special Committees under the Board of Directors**

**Article 127** The Board of the Company has an Audit Committee in place to exercise the functions and powers of the Board of Supervisors as stipulated in the Company Law.

**Article 128** The Audit Committee consists of three members, who are directors who do not hold senior management positions in the Company, including two independent directors, with an accounting professional among the independent directors serving as the convenor.

**Article 129** The Audit Committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external audits and internal controls. The following matters shall be submitted to the Board for consideration after being approved by a majority of all members of the Audit Committee:

- (1) disclose financial information in financial accounting reports and periodic reports, internal control evaluation reports;
- (2) appoint or dismiss the accounting firm that undertakes audits of listed companies;
- (3) appoint or dismiss the financial controller of listed company;

(4) change accounting policies and accounting estimates or correct material accounting errors made for reasons other than changes in accounting standards;

(5) other matters as stipulated by laws, administrative regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

**Article 130** The Audit Committee meets at least once a quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convenor deems it necessary. Meetings of the Audit Committee may only be held if more than two-thirds of the members are present.

Resolutions of the Audit Committee shall be passed by more than half of members of Audit Committee.

When voting on a resolution of the Audit Committee, every member shall have one vote.

Resolutions of the Audit Committee shall be recorded in meeting minutes in accordance with relevant regulations, and the members of the Audit Committee attending the meeting shall sign the meeting minutes.

The working procedures of the Audit Committee shall be formulated by the Board.

**Article 131** The Board of the Company sets up other special committees, such as the Nomination Committee and the Remuneration Committee, to perform their duties in accordance with the Articles of Association and the authorization of the Board, and the proposals of the special committees shall be submitted to the Board for consideration and decision. The Board shall be responsible for formulating the working procedures of the special committees. The composition of the special committees shall comply with the laws, administrative regulations, departmental rules, the Listing Rules of Hong Kong Stock Exchange and other securities regulatory rules of the place where the Company's shares are listed or the relevant requirements stipulated by the relevant regulatory authorities.

Independent directors in the Nomination Committee and the Remuneration and Appraisal Committee shall be more than half and act as conveners. Where there are other provisions under the Listing Rules of the Hong Kong Stock Exchange and other securities regulatory rules of the place where the Company's shares are listed or relevant regulatory authorities, such provisions shall prevail.

**Article 132** The Nomination Committee is responsible for drafting the selection criteria and procedures for directors and senior management, selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the Board on the following matters:

(1) nominations or appointments and dismissals of directors;

(2) appointments or dismissals of senior management;

(3) other matters as stipulated by laws, administrative regulations, the CSRC regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where the Board does not adopt or fully adopt the recommendations of the Nomination Committee, it shall specify the opinions of the Nomination Committee and the specific reasons for non-adoption in the resolutions made at Board meetings and disclose them.

**Article 133** The Remuneration and Appraisal Committee is responsible for formulating assessment criteria for directors and senior management and conducting assessments, developing and reviewing remuneration decision mechanisms, decision-making processes, payment and cessation of payments recovery arrangements as well as other remuneration policies and proposals, and making recommendations to the Board on the following matters:

- (1) remuneration for directors and senior management;
- (2) formulation or amendments to equity incentive plans, employee stock ownership plans, the granting of rights to incentive recipients and the achievement of conditions for exercise of such rights by incentive recipients;
- (3) arrangement of stock ownership plans for directors and senior management in the event of a proposed spin-off of a subsidiary;
- (4) other matters as stipulated by laws, administrative regulations, the CSRC regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where the Board does not adopt or fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall specify the opinions of the Remuneration and Appraisal Committee and the specific reasons for non-adoption in the resolutions made at Board meetings and disclose them.

## **CHAPTER 6 SENIOR MANAGEMENT**

**Article 134** The Company has general manager and deputy general manager, who are appointed or dismissed by the Board.

The Company has financial officer and Board secretary, whose appointment or dismissal proposed by the general manager to the Board.

**Article 135** The provisions of the Articles of Association regarding the circumstances under which one may not serve as a director and the management system for resignation shall also apply to senior management.

The provisions of the Articles of Association regarding the obligations of loyalty and the obligations to act honestly of directors shall also apply to senior management.

**Article 136** Personnel serving in administrative positions other than directors or supervisors at the controlling shareholder of the Company shall not serve as senior management of the Company.

Senior management of the Company shall only receive salaries from the Company and shall not be paid by the controlling shareholder.

**Article 137** The Company's general manager, deputy general manager, financial controller, Board secretary and other senior management are elected for a term of three years, and may be re-appointed.

**Article 138** The general manager is responsible to the Board and exercises the following functions and powers:

- (1) preside over the Company's production, operation and management work, organize the implementation of Board resolutions, and report work to the Board;
- (2) organize and implement the Company's annual business plan and investment plan;
- (3) formulate a plan for the establishment of the Company's internal management organization;
- (4) formulate the Company's basic management system;
- (5) formulate specific regulations of the Company;
- (6) propose to the Board to appoint or dismiss the Company's deputy manager, financial director, Board secretary and other senior management;
- (7) decide on the appointment or dismissal of management personnel other than those who shall be appointed or dismissed by the Board;
- (8) consider and approve general connected transactions other than those connected transactions that are required to be submitted to the Board or the general meeting for approval in accordance with the Articles of Association;
- (9) consider and approve matters other than those required to be submitted to the Board or the general meeting for approval in accordance with the Articles of Association, such as major transactions, external investments and external guarantees;
- (10) decide on the establishment of wholly-owned subsidiaries and/or branches of the Company;
- (11) other functions and powers granted by the Articles of Association, securities regulatory rules of the place where the Company's shares are listed or the Board.

The general manager attends Board meetings.

**Article 139** The working rules of the general manager include the following:

- (1) conditions, procedures, and participants for convening the meetings of the general manager;
- (2) responsibilities and division of labor of the general manager and other senior management;



(3) use of funds and assets of the Company, authority on signing of major contracts, and the reporting system to the Board;

(4) other matters deemed necessary by the Board.

**Article 140** The general manager may resign before expiry of its term of office. The procedures and methods regarding the resignation of the general manager shall be stipulated in the labor contract between the general manager and the Company.

**Article 141** The Company shall appoint a secretary to the Board, who shall be responsible for the preparation of general meetings and the Board meetings, filing of documents, management of shareholder information, and matters related to information disclosure.

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

**Article 142** Where senior management cause damage to others when performing duties of the Company, the Company shall be liable for compensation; where senior management have acted with intent or gross negligence, they shall also be liable for compensation.

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

**Article 143** The senior management of the Company shall perform duties faithfully for the maximum benefits of the Company and all its shareholders.

Where senior management causes damage to the interests of the Company or the public shareholders due to failure to perform their duties faithfully or breach of their obligations of good faith, they shall be liable for compensation according to law.

## **CHAPTER 7 FINANCIAL ACCOUNTING SYSTEM, PROFITS DISTRIBUTION AND AUDIT**

### **Section 1 Financial Accounting System**

**Article 144** The Company formulates its financial accounting system in accordance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and regulations of relevant national departments.

The Company prepares annual financial accounting report within four months from the end of each accounting year and interim financial accounting report within two months from the end of the first six months of each accounting year.

The aforesaid financial accounting reports are prepared and published in accordance with the relevant laws, administrative regulations, departmental rules, the Listing Rules of Hong Kong Stock Exchange and other securities regulatory rules of the places where the Company's shares are listed.



**Article 145** Other than the statutory accounting books, the Company will not maintain separate accounting books. The Company's assets are not stored in accounts opened in any individual's name.

**Article 146** When the Company distributes after-tax profits for the year, it shall withdraw 10% of the profits and include them in the Company's statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, no further withdrawals may be made.

If the Company's statutory reserve fund is insufficient to make up for losses in previous years, it shall first utilize the current year's profits to make up for the losses before withdrawing the statutory reserve fund in accordance with the provisions of the preceding paragraph.

After the Company withdraws the statutory reserve fund from the after-tax profits, it can also withdraw the discretionary reserve fund from the after-tax profits upon resolution of the general meeting.

The remaining after-tax profits after the Company has made up for its losses and withdrawn the reserve fund shall be distributed according to the proportion of shares held by shareholders, unless the Articles of Association stipulated that distribution is not based on the proportion of shareholdings.

If the general meeting violates the Company Law and distributes profits to shareholders, shareholders shall return the profits distributed in violation of the regulations to the Company. If any loss is caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation.

The Company's shares held by the Company will not participate in the distribution of profits.

The Company shall appoint one or more collection agents in Hong Kong for H share shareholders. The collection agent shall collect and keep the dividends distributed by the Company in respect of H shares and other amounts payable on behalf of the relevant H-share holders, to make payments to such H-share holders. The collection agent appointed by the Company shall comply with the requirements of laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

**Article 147** After the resolution on profit distribution has been adopted at the general meeting of the Company, or a specific plan has been formulated by the Board of the Company based on the conditions and caps of the interim dividends for the next year which have been considered and approved by the annual general meeting, the Board shall complete the distribution of dividends (or shares) within two months.

**Article 148** The Company's reserve fund is used to make up for the Company's losses, expand the Company's production and operations, or increase the Company's registered capital.

When the reserve fund is used to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund should be utilized first; if it still fails to be made up, the capital reserve fund may be used in accordance with regulations.

When the statutory reserve fund is converted to increase the registered capital, the remaining reserve fund will not be less than 25% of the Company's registered capital prior to the conversion.

## **Section 2 Internal Audit**

**Article 149** The Company implements an internal audit system, which specifies the leadership system, duties and responsibilities, staffing, financial guarantee, use of audit results and accountability for internal audit.

The internal audit system of the Company is implemented after approval by the Board.

**Article 150** The internal audit institution shall supervise and examine the Company's business activities, risk management, internal control, financial information and other matters.

**Article 151** The internal audit institution is accountable to the Board.

During the supervision and inspection of the Company's business activities, risk management, internal control and financial information, the internal audit institution shall be subject to the oversight and guidance of the Audit Committee. If the internal audit institution discovers any significant issues or leads, it shall immediately report directly to the Audit Committee.

**Article 152** The internal audit institution is responsible for the specific organization and implementation of the Company's internal control evaluation. Based on the evaluation report issued by the internal audit institution and reviewed by the Audit Committee, as well as relevant materials, the Company shall issue its annual internal control evaluation report.

**Article 153** When the Audit Committee communicates with external audit entities such as accounting firms or state audit authorities, the internal audit institution shall actively cooperate and provide necessary support and assistance.

**Article 154** The Audit Committee shall participate in the performance evaluation of the head of the internal audit institution.

## **Section 3 Appointment of Accounting Firm**

**Article 155** The Company engages an accounting firm that complies with the provisions of the Securities Law to conduct accounting statement audits, net asset verification and other related consulting services. The appointment period is one year and can be renewed.

**Article 156** The Company's appointment and dismissal of an accounting firm shall be decided on the general meeting, and the Board may not appoint an accounting firm before a decision is made at the general meeting.

**Article 157** The Company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information to the accounting firm engaged, and shall not refuse, conceal or make false statements.

**Article 158** The audit fee of the accounting firm shall be determined by the general meeting.

**Article 159** The Company shall send a 15-day advance notice to accounting firm, in order to dismiss or not to reappoint the accounting firm. When the general meeting votes on the dismissal of an accounting firm, the accounting firm shall be permitted to present its views.

The accounting firm, in order to resign, shall make representations whether the Company has any improper affairs to the general meeting.

## **CHAPTER 8 NOTICE AND ANNOUNCEMENT**

### **Section 1 Notice**

**Article 160** The Company shall give notice in the following ways:

- (1) by hand;
- (2) by mail;
- (3) by public announcement;
- (4) by e-mail or fax;

(5) subject to the law, administrative regulations and listing rules of the stock exchange of the place where the Company's shares are listed, publishing announcement on the Company's website or such website designated by the Hong Kong Stock Exchange;

(6) by other means approved by the relevant regulatory agency of the place where the Company's shares are listed or as set out in the Articles of Association.

**Article 161** Any notice given by way of public announcement by the Company shall be deemed to have been received by all relevant parties after the publication of such announcement.

Subject to the provisions set out in Rule 2.07A(4) of the Listing Rules of the Hong Kong Stock Exchange and to the extent permitted under all applicable laws and regulations, a listed issuer must (i) send or otherwise make available the corporate communication to the relevant holders of its securities using electronic means, or (ii) make the corporate communication available on its website and the website of Hong Kong Stock Exchange (the issuer must set out on its website the manner in which (i) and/or (ii) is adopted for the dissemination of its corporate communication).

"Corporate communication" as mentioned in the preceding paragraph refers to any document issued or to be issued by the Company for the information or action of holders of any of its H Shares or other person as required under the the Listing Rules of the Hong Kong Stock Exchange.

Where notices of the exercise of the powers/rights under the Articles of Association are to be given by way of public announcements, such announcements shall be published in such means as prescribed under Listing Rules of the Hong Kong Stock Exchange.

Where relevant corporate documents must be in the English language and be accompanied by a Chinese version and be served through post, distribution, sending out, announcement or other means according to the requirements of listing rules of the stock exchange of the place where the Company's shares are listed, in respect of shareholders who under proper arrangements by the Company confirm to receive such information only in English or Chinese version as well as to the extent of the applicable laws and regulations, the Company may send such documents in the English or Chinese version to relevant shareholders according to their prescribed wills.

**Article 162** The notice of a general meeting convened by the Company shall be made by way of public announcements.

**Article 163** The notice of a Board meeting convened by the Company shall be delivered by hand or by post, or by email, fax, telephone, SMS or other effective means.

**Article 164** If the notice is served by hand, the date of service is the date of acknowledgement of receipt by signature or affixed seal on the service return slip. If the notice is sent by mail, the date of service is the seventh working day from the date of delivery at the post office. If the notice is made by public announcement, the date of service is the date of the first publication of the public announcement.

**Article 165** The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions approved at the meeting.

## **Section 2 Announcement**

**Article 166** The Company has designated the website of the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website as the media for the publication of announcements and other information required to be disclosed by the Company. The Board has the right to decide to adjust the designated media for disclosure of information of the Company, but shall ensure that the designated media for disclosure of information comply with the relevant laws and regulations of Mainland China and Hong Kong, as well as the qualifications and conditions stipulated by the securities regulatory authorities of the State Council, the overseas regulatory authorities and the stock exchange of the place where the Company's shares are listed.

## **CHAPTER 9 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION**

### **Section 1 Merger, Division, Capital Increase and Capital Reduction**

**Article 167** Company mergers may take the form of mergers by absorption or mergers by new establishment.

When a company absorbs other companies, it is called a merger by absorption, and the absorbed company is dissolved. The merger of two or more companies to establish a new company is a merger by new establishment, and the merging parties are dissolved.

**Article 168** Where the price to be paid for a merger does not exceed 10% of the Company's net assets, the merger may be effected without a resolution of the general meeting, unless otherwise provided in the Articles of Association.

Where a merger of companies pursuant to the preceding paragraph is not resolved by the general meeting, it shall be resolved by the Board.

**Article 169** If the Company merges, the merging parties shall sign a merger agreement and prepare a balance sheet and property list. The Company shall notify creditors within 10 days from the date of making the merger resolution, and shall make an announcement within 30 days in newspapers (or the National Enterprise Credit Information Disclosure System) and the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website according to securities regulatory rules of the place where the Company's shares are listed.

Creditors may require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if no notice is received.

**Article 170** If the Company merges, the claims and debts of the merging parties shall be inherited by the continuing company or the newly established company after the merger.

**Article 171** If the Company is divided, its property will be divided accordingly.

If the Company is divided, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days from the date of making the division resolution, and shall make an announcement within 30 days in newspapers (or the National Enterprise Credit Information Disclosure System) and the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website according to securities regulatory rules of the place where the Company's shares are listed.

**Article 172** The debts incurred before the Company is divided shall be jointly and severally liable by the companies after the division. However, this shall not be the case unless otherwise agreed upon in a written agreement between the Company and its creditors regarding debt settlement before the division.

**Article 173** If the Company needs to reduce its registered capital, it must prepare a balance sheet and property list.

The Company shall notify creditors within 10 days from the date of making the resolution to reduce the registered capital at the general meeting, and shall make an announcement within 30 days in newspapers (or the National Enterprise Credit Information Disclosure System) and the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website according to securities regulatory rules of the place where the Company's shares are listed. Creditors have the right to require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if no notice is received.

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

**Article 174** If the Company still has losses after making up for its losses in accordance with the provisions of paragraph 2 of Article 148 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not distribute to shareholders, nor may it exempt shareholders from their obligation to pay capital contributions or share payments.

If the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 173 of the Articles of Association shall not apply, but the announcement of reduction shall be made in the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) according to securities regulatory rules of the place where the Company's shares are listed, and in newspapers (or the National Enterprise Credit Information Disclosure System) within 30 days from the date when the shareholders' meeting makes a resolution to reduce the registered capital.

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

**Article 175** If the reduction of the registered capital is in violation of the Company Law or other relevant provisions, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the liable directors and senior management shall be liable for compensation.

**Article 176** Where an increase in registered capital of the Company is made by means of issue of new shares, the shareholders do not have any pre-emptive right unless the Articles of Association provides otherwise or the general meeting resolves that the shareholders shall have pre-emptive right.

**Article 177** When the merger or split of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

Where the Company increases or reduces its registered capital, an application for modification of registration shall be made to the company registration authority pursuant to the laws.

## **Section 2 Dissolution and Liquidation**

**Article 178** The Company will be dissolved for the following reasons:

- (1) the business period stipulated in the Articles of Association expires or other reasons for dissolution stipulated in the Articles of Association occur;
- (2) the general meeting makes a resolution to dissolve;
- (3) dissolution is required due to company merger or division;
- (4) the business license has been revoked, ordered to close, or revoked in accordance with the law;
- (5) if the Company encounters serious difficulties in its operation and management, and its continued existence will cause heavy losses to the interests of shareholders, and cannot be solved through other means, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the people's court to dissolve the Company.



If the Company encounters the above-mentioned reasons for dissolution, it shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten days.

**Article 179** The Company may continue in existence by amending the Articles of Association or upon a resolution of the general meeting under any of the circumstances prescribed in items (1) or (2) of Article 178 and provided that it has not distributed the assets to its shareholders.

Any amendment to the Articles of Association or resolution of the general meeting under the preceding paragraph shall be subject to the consent of shareholders with two-thirds or more of the voting rights present at the general meeting.

**Article 180** Where the Company is dissolved under items (1), (2), (4) or (5) of Article 178, it shall be liquidated. The directors, who are the liquidation obligors of the Company, shall form a liquidation committee to commence the liquidation process within 15 days from the date when the event of dissolution occurs.

The liquidation committee shall be composed of the directors, unless it is otherwise provided for in the Articles of Association or otherwise elected by the general meeting.

The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the Company or the creditors.

**Article 181** The liquidation team shall exercise the following functions and powers during the liquidation period:

- (1) clean up the Company's properties and prepare a balance sheet and property list respectively;
- (2) notify and announce creditors;
- (3) handle the Company's uncompleted businesses related to liquidation;
- (4) pay the taxes owed and the taxes incurred during the liquidation process;
- (5) clear claims and debts;
- (6) distribute the Company's remaining property after paying off its debts;
- (7) participate in civil litigation activities on behalf of the Company.

**Article 182** The liquidation team shall notify creditors within 10 days from the date of establishment, and shall publish an announcement within 60 days in newspapers (or the National Enterprise Credit Information Publicity System) and the Hong Kong Stock Exchange's HKExnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) according to the securities regulatory rules in the place where the Company's shares are listed. Creditors shall declare their claims to the liquidation team within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if the notice is not received.

When a creditor declares claims, he or she shall explain the relevant matters of the claims and provide supporting materials. The liquidation team shall register the claims.

During the period of reporting claims, the liquidation team shall not make settlements with creditors.

**Article 183** After cleaning up the Company's assets and preparing a balance sheet and property list, the liquidation team shall formulate a liquidation plan and submit it to the general meeting or the people's court for confirmation.

The Company's property is the remaining property after paying liquidation expenses, employees' wages, social insurance fees and statutory compensation, paying taxes owed, and settling the Company's debts respectively, and the Company distributes the remaining property according to the proportion of shares held by shareholders.

During the liquidation period, the Company continues to exist, but it cannot carry out business activities unrelated to the liquidation. The Company's property will not be distributed to shareholders before it is settled in accordance with the provisions of the preceding paragraph.

**Article 184** After clearing the Company's property and preparing a balance sheet and property list, if the liquidation team finds that the Company's property is insufficient to pay off its debts, it shall apply to the people's court for liquidation of bankruptcy in accordance with the law.

After the people's court accepts the bankruptcy application, the liquidation team shall transfer the liquidation matters to the bankruptcy administrator designated by the people's court.

**Article 185** After the Company's liquidation is completed, the liquidation team shall prepare a liquidation report, submit it to the general meeting or the people's court for confirmation, and submit it to the Company registration authority to apply for cancellation of the Company registration.

**Article 186** The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence.

Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the Company shall be liable for compensation, and any member of the liquidation group who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

**Article 187** Where the Company is declared bankruptcy according to laws, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

## **CHAPTER 10 AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**Article 188** Under any of the following circumstances, the Company shall amend the Articles of Association:

(1) after the Company Law or relevant laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed are revised, the matters stipulated in the Articles of Association contradict with the provisions of the revised laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;

(2) the Company's situation changes and is inconsistent with the matters recorded in the Articles of Association;

(3) the general meeting makes a resolution to amend the Articles of Association.

**Article 189** If the amendments to the Articles of Association passed by the resolution of the general meeting should be reviewed and approved by the competent authority, they must be reported to the competent authority for approval; if such amendments involve Company registration matters, the registration of the amendments shall be handled in accordance with the law.

**Article 190** The Board amends the Articles of Association in accordance with the resolution of the general meeting to amend the Articles of Association and the approval of the relevant competent authorities.

**Article 191** Amendments to the Articles of Association are the information required to be disclosed in accordance with the provisions of the laws, regulations or the securities regulatory rules of the place where the Company's shares are listed, and shall be announced as required.

## **CHAPTER 11 SUPPLEMENTARY PROVISION**

**Article 192** Definitions:

(1) A "controlling shareholder" stated herein shall refer to a shareholder who holds more than 50% of the total share capital of a joint stock company, or a shareholder who holds less than 50% of the total shares but holds voting rights sufficient to have a material impact on resolutions at the general meeting, or other persons stipulated by the relevant laws, administrative regulations or the security regulatory rules of the place where the Company's shares are listed.

(2) The "de facto controller" stated herein shall refer to a natural person, legal person or other organization being able to actually control the acts of the Company through investment relationships, agreement or any other arrangement.

(3) The terms "connected" and "connected transaction" shall have the same meaning as ascribed to them under the Listing Rules of the Hong Kong Stock Exchange.

**Article 193** The Board may, in accordance with the Articles of Association, formulate detailed rules of the Articles which shall not be in conflict with the provisions hereof.

**Article 194** The Articles of Association are written in Chinese. Should there be any discrepancies between the versions in other languages or different versions and the Chinese version, the latest verified Chinese version registered in the Changsha Administration for Market Regulation shall prevail.

**Article 195** In the Articles of Association, the terms “no less than” and “within” include the given figure; the terms “over”, “beyond”, “less than” and “more than” do not include the given figure.

**Article 196** In case of any conflict between the Articles of Association and laws, administrative regulations, other relevant normative documents and the listing rules of the place where the Company’s shares are listed, the provisions of such laws, administrative regulations, other relevant normative documents and the listing rules of the place where the Company’s shares are listed shall prevail.

**Article 197** The interpretation of the Articles of Association shall be vested to the Board of the Company.

**Article 198** The rules of procedures for the general meeting and Board meeting are enclosed with the Articles of Association as appendices.

**Article 199** The Articles of Association shall, upon consideration and approval at the general meeting, be effective and implemented from the date when the H Shares issued by the Company are filed with the CSRC and listed on the the Hong Kong Stock Exchange.

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Legal Representative:

Busy Ming Group Co., Ltd.  
(Seal)

Month/Date, Year