

**Articles of Association of
MUYUAN FOODS GROUP CO., LTD.**

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Articles of Association of MUYUAN FOODS GROUP CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to safeguard the legitimate rights and interests of the Company, its shareholders, employees and creditors, and to regulate the organization and activities of the Company, these 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 "Hong Kong Listing Rules") and other relevant regulations.

Article 2 MUYUAN FOODS GROUP CO., LTD. (the "Company") is a joint stock limited company established in accordance with the Company Law and other relevant regulations.

The Company was initiated and established by way of full conversion of a limited liability company. At the beginning of its establishment, the Company was registered with the Nanyang Administration for Industry and Commerce. The Company is now registered with the Henan Provincial Administration for Market Regulation and holds a Business License with the unified social credit code of 91410000706676846C.

Article 3 Pursuant to the approval by the Approval Notice on the Initial Public Offering of Shares of MUYUAN FOODS CO., LTD. (Zheng Jian Xu Ke [2014] No. 40) issued by the China Securities Regulatory Commission (the "CSRC") on January 6, 2014, the Company initially issued 30,000,000 new ordinary shares denominated in RMB to the public, which were listed on the Shenzhen Stock Exchange (the "Stock Exchange") on January 28, 2014. The Company completed filing with the CSRC on November 25, 2025 and issued 273,951,400 (before the exercise of the over-allotment option) overseas listed foreign shares (the "H Shares") in Hong Kong. The aforementioned H Shares were listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on February 6, 2026.

Article 4 Registered name of the Company: 牧原食品集團股份有限公司. English name of the Company: MUYUAN FOODS GROUP CO., LTD.

Article 5 Domicile of the Company: Shuitian Village, Guanzhang Town, Neixiang County. Postal code: 474350.

Article 6 The total investment of the Company is RMB5,736,722,739 and the registered capital is RMB5,736,722,739.

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

Article 8 The legal representative of the Company shall be a director who executes the affairs of the Company on behalf of the Company and shall be elected by more than half of the board of directors.

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

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

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

Restrictions on the authority of the legal representative imposed by these Articles of Association or the shareholders' general meeting shall not be enforceable against bona fide counterparty.

Where the legal representative causes damage to any other persons in the performance of his/her duties, the Company shall assume civil liability for such damage. The Company may, after assuming such civil liability, seek compensation from the legal representative at fault in accordance with the laws or these Articles of Association.

Article 10 In accordance with the Constitution of the Communist Party of China, the Company has set up Party organizations in the Company to carry out Party activities. The Company provides the necessary conditions for the activities of Party organizations.

Article 11 The shareholders shall be liable to the Company to the extent of the shares they subscribed, and the Company shall be liable for its debts to the extent of all of its properties.

Article 12 From the date upon which the Articles of Association come into effect, it shall be a legally binding document which regulates the organization and activities of the Company, the rights and obligations between the Company and its shareholders and among the shareholders, and shall be a legally binding document upon the Company, its shareholders, directors, and members of the senior management. Pursuant to the Articles of Association, shareholders may initiate legal proceedings against other shareholders, directors, and members of the senior management of the Company. The shareholders may initiate legal proceedings against the Company and the Company may initiate legal proceedings against its shareholders, directors, and members of the senior management.

Article 13 The members of the senior management mentioned in the Articles of Association refer to the president, executive vice president, vice president, secretary to the board, head of finance, chief financial officer (CFO), chief human resources officer (CHO), chief legal officer (CLO), chief strategy officer (CSO), general manager of development and construction, chief operating officer of hog production, chief veterinary officer (CVO), general manager of Muyuan Meat, chief intelligence officer (CAIO) and other persons specifically appointed by the board of directors as the members of the senior management of the Company.

Remarks: The president refers to the general manager and the vice presidents refer to the deputy general managers as mentioned in the Articles of Association.

CHAPTER 2 BUSINESS OBJECTIVES AND SCOPE

Article 14 The business objectives of the Company are: Producing healthy food for the society, improving the quality of life for the public and enabling people to enjoy a prosperous life.

Article 15 After registration in accordance with the law, the Company's scope of business includes: licensed projects: livestock raising; breeding livestock and poultry production; breeding livestock and poultry operation; live livestock and poultry operation for Hong Kong and Macau; feed production; livestock slaughtering; food production; food sales; animal non-hazardous treatment.

General projects: purchase of grain; sales of grains; sales of feed raw materials; sales of feed additives; sales of livestock and fishery feeds; sales of livestock; treatment and utilization of livestock and poultry manure; goods import and export; technology import and export; import and export agency; renewable resources processing; renewable resources sale. (The specific description of the above business scope is subject to the approval of the registration authority)

CHAPTER 3 SHARES

Section 1 Issuance of Shares

Article 16 The stocks of the Company shall take the form of registered shares. Shares issued by the Company are ordinary shares. Ordinary shares refer to the ordinary classes of shares issued by the Company as generally stipulated in the Company Law.

Article 17 Shares of the Company shall be issued on the principles of transparency, fairness and equality, and the shares of the same class shall rank pari passu in all respects.

Each share of the same class shall be issued under the same conditions and at the same price in each issuance, and the same price shall be paid for each share subscribed for by a subscriber.

Article 18 All shares issued by the Company are ordinary shares. All shares issued by the Company shall have a par value denominated in Renminbi, which shall be RMB1.0 for each ordinary share. The shares issued by the Company and listed on the Shenzhen Stock Exchange are referred to as “A Shares”. The shares issued by the Company and listed on the Hong Kong Stock Exchange are referred to as “H Shares”.

Article 19 The A Shares issued by the Company shall be deposited collectively in the Shenzhen Branch of the China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company shall primarily be deposited in the custodian company of the Hong Kong Securities Clearing Company Limited in accordance with the laws and practices for securities registration and depository of the place where the shares of the Company are listed, or may also be held by shareholders in their own names.

Article 20 The Company was established by 28 promoters. The name, number of shares held, shareholding percentage and way of capital contribution of each promoter at the time of its establishment are as follows:

No.	Name of shareholder (promoter)	Number of shares held (shares)	Shareholding percentage	Way of capital contribution
1	Qin Yinglin (秦英林)	137,935,458	68.97%	Net assets
2	Neixiang Muyuan Industrial Co., Ltd. (內鄉縣牧原實業有限公司)	49,186,287	24.59%	Net assets
3	Qian Ying (錢瑛)	4,008,819	2.00%	Net assets
4	Qian Yunpeng (錢運鵬)	3,698,058	1.85%	Net assets
5	Yang Ruihua (楊瑞華)	481,059	0.24%	Net assets
6	Cao Zhinian (曹治年)	481,059	0.24%	Net assets
7	Su Danglin (蘇黨林)	481,059	0.24%	Net assets
8	Li Fuqiang (李付強)	481,059	0.24%	Net assets

No.	Name of shareholder (promoter)	Number of shares held (shares)	Shareholding percentage	Way of capital contribution
9	Zhang Chunwu (張春武)	400,883	0.20%	Net assets
10	Chu Ke (褚柯)	320,706	0.16%	Net assets
11	Qin Yingfan (秦英凡)	320,706	0.16%	Net assets
12	Qin Yingze (秦英澤)	280,617	0.14%	Net assets
13	Zhang Xinya (張新亞)	240,529	0.12%	Net assets
14	Tian Fangping (田方平)	240,529	0.12%	Net assets
15	Zhang Mingbo (張明波)	200,441	0.10%	Net assets
16	Xue Yuzhen (薛玉振)	160,353	0.08%	Net assets
17	Qian Xiaopeng (錢小鵬)	160,353	0.08%	Net assets
18	Yang Junwu (楊俊武)	120,265	0.06%	Net assets
19	Zhang Jianun (張建群)	80,176	0.04%	Net assets
20	Xue Xing (薛星)	80,176	0.04%	Net assets
21	Xu Yumei (徐玉梅)	80,176	0.04%	Net assets
22	Hu Xu (胡旭)	80,176	0.04%	Net assets
23	Liu Yajing (劉亞靜)	80,176	0.04%	Net assets
24	Zhang Daxing (張大星)	80,176	0.04%	Net assets
25	Guo Baojun (郭保軍)	80,176	0.04%	Net assets
26	Chen Yulai (陳玉來)	80,176	0.04%	Net assets
27	Qin Yinghui (秦英會)	80,176	0.04%	Net assets
28	Qin Yinghe (秦英荷)	80,176	0.04%	Net assets
	Total	200,000,000	100.00%	

Article 21 The total number of shares in issue of the Company comprises 5,736,722,739 ordinary shares. Among them, 5,462,771,339 are ordinary A shares and 273,951,400 are ordinary H shares.

Article 22 The Company or its subsidiaries (including affiliates of the Company) shall not provide financial assistance to others for the acquisition of shares in the Company or its parent company in the form of gift, advance, guarantee, loan or similar arrangements, except for the implementation of the Company's employee stock ownership plan.

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

If the Company or its subsidiaries (including affiliates of the Company) acted in accordance with this Article, they shall comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the provisions of the competent supervisory authorities.

Section 2 Increase, Decrease and Repurchase of Shares

Article 23 The Company may, based on its operating and development needs, increase its capital in the following ways pursuant to the requirements of laws and regulations and subject to the resolutions passed at the shareholders' general meetings:

- (I) by issuing shares to unspecified parties;
- (II) by issuing shares to specific parties;
- (III) by allotting bonus shares to its existing shareholders;
- (IV) by converting common reserve fund into share capital;
- (V) by any other means which is stipulated by law, administrative regulations and the CSRC.

The shareholders' general meeting may authorize the board of directors to issue shares not exceeding 50 percent of the issued shares within a period of three years. However, the capital contribution in the form of non-monetary property shall be resolved by the shareholders' general meeting.

If the decision of the board of directors to issue shares in accordance with the preceding paragraph results in a change in the registered capital or the number of issued shares of the Company, the amendment of the matters recorded in these Articles of Association shall not be subject to a further vote at the shareholders' general meeting.

Where the board of directors decides to issue new shares under the authorization of the shareholders' general meeting, the resolution of the board of directors shall be passed by two-thirds or more of all the directors.

Article 24 The Company may reduce its registered share capital. The Company shall reduce its registered share capital in accordance with the procedures stipulated in the Company Law and other relevant regulations and these Articles of Association.

Article 25 The Company shall not repurchase its own shares, save as under one of the following the circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with other companies that hold shares of the Company;
- (III) to use the shares for employee stock ownership plan or as equity incentives;
- (IV) to acquire the shares of shareholders (upon their requests) who vote against any resolution adopted at any shareholders' general meeting on the merger or division of the Company;
- (V) to use the shares in the conversion of the convertible corporate bonds issued by the Company;
- (VI) necessary for the Company to protect its value and shareholders' interests.

Article 26 The Company may acquire its shares by means of public centralized trading, or other means approved by laws, administrative regulations or the securities regulatory authorities of the place where the Company's shares are listed, subject to the compliance with the applicable securities regulatory rules of the places where the Company's shares are listed.

The Company's acquisition of its own shares under the circumstances as stipulated in (III), (V) or (VI) of the first paragraph of Article 25 of these Articles of Association shall be conducted by an open and centralized bidding or offer.

Article 27 The Company's acquisition of its own shares under the circumstances as stipulated in (I) or (II) of the first paragraph of Article 25 of these Articles of Association shall be approved by a resolution of the shareholders' general meeting. The Company's acquisition of its own shares under the circumstances as stipulated in (III), (V) or (VI) of the first paragraph of Article 25 of these Articles of Association shall be approved by a resolution at a board meeting attended by no less than two-thirds of the directors.

Shares of the Company acquired under the circumstance as stipulated in (I) of the first paragraph of Article 25 of these Articles of Association shall be cancelled within 10 days from the day of acquisition; shares acquired under the circumstances as stipulated in (II) or (IV) shall be transferred or cancelled within 6 months from the day of acquisition; for the circumstances as stipulated in (III), (V) or (VI), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company and the shares so acquired by the Company shall be transferred or cancelled within 3 years from the day of acquisition.

If the Company repurchase its own shares under the circumstances as stipulated in (VI) of the first paragraph of Article 25 of these Articles of Association, it may sell them through centralized bidding in accordance with the conditions and procedures stipulated by the stock exchange after fulfilling its pre-disclosure obligations.

Section 3 Transfer of Shares

Article 28 The Company's shares shall be transferable in accordance with the law. Transfer of any H Shares shall be effected by a written instrument of transfer in a general or standard format or any other format accepted by the board of directors (including the standard transfer format or transfer form specified by the Hong Kong Stock Exchange from time to time) and such an instrument of transfer may only be signed by hand or affixed with the Company's official seal if the transferor or transferee is a corporation. If the transferor or transferee is a recognized clearing house or its agent as defined in the relevant ordinance in force from time to time under the Hong Kong laws, the instrument of transfer may be signed by hand or by machines imprinted signatures. All instruments of transfer shall be kept at the legal address of the Company or other place designated by the board of directors from time to time.

Article 29 The Company shall not accept shares of the Company as the subject of any pledge.

Article 30 Shares issued by the Company prior to the public offering of its shares may not be transferred within one year from the date of listing of its shares on a stock exchange.

Directors and members of the senior management of the Company shall declare to the Company of the number of shares of the Company held and any changes in relation thereto and shall not transfer more than 25% of the total number of shares of the Company of the same class held by them every year during their tenure as determined at the time of their appointment. The shares held by the aforementioned person shall not be transferred within one year from the date of listing of the Company's shares. The aforesaid officers shall not transfer the shares of the Company held by them within six months from the date they cease their employment with the Company. If the directors and members of the senior management of the Company resign before the expiration of their tenure, they shall continue to comply with the shareholding reduction requirements stipulated by the Company Law and the securities regulatory rules of the places where the Company's shares are listed, and other relevant laws and regulations during their tenure as determined at the time of their appointment and for the six months following the expiry of their tenure.

Where the laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed and relevant supervisory authorities provide otherwise in respect of the transfer of the Company's shares held by shareholders, such rules shall prevail.

If shares are pledged during the restricted transfer period prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right during the restricted transfer period.

Article 31 In the event that any director, members of the senior management or shareholder holding 5% or more of the Company's shares disposes of the shares of the Company or other securities with equity nature within six months after his/her acquisition, or where shares or other securities with equity nature are acquired again within six months after his/her disposal, any gains arising therefrom shall belong to the Company, and the board of directors of the Company shall recover such gains. However, the case where a securities company holds 5% or more of the shares by taking up the remaining shares after underwriting, as well as other circumstances stipulated by the CSRC and the securities regulatory rules of the places where the Company's shares are listed are excluded. The above shareholders holding 5% or more of the Company's shares do not include recognized clearing houses and their agents as defined in the relevant ordinances in force from time to time under Hong Kong law.

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

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

In the event that the board of directors fails to comply with the provisions set forth in the first paragraph, the responsible directors shall bear joint liabilities under the law.

CHAPTER 4 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

Section 1 General Provisions for Shareholders

Article 32 The Company shall establish a register of shareholders with the information provided by the securities registration and clearing authority in accordance with applicable laws, regulations, normative documents, and the Hong Kong Listing Rules. The register of shareholders shall be sufficient evidence of the holding of the shares of the Company by the shareholders. The original register of Shareholders of H Shares shall be maintained in Hong Kong and made available for shareholders' inspection. The Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the requirements of the securities regulatory rules of the place where the Company's shares are listed. Any shareholder who is registered in, or any person requests to have his/her name entered into, the register of shareholders may, if his/her share certificate is lost, apply to the Company for a replacement share certificate in respect of such shares. A shareholder of H Shares who has lost his/her share certificate and applies for a replacement certificate to be issued may do so in accordance with the laws, the rules of the stock exchange or other relevant requirements of the place where the original register of shareholders of H Shares is maintained. A shareholder shall enjoy the rights and assume the obligations attached to the class of shares held. Shareholders holding the same class of shares shall be entitled to the same rights and assume equal obligations.

Article 33 When the Company convenes a general meeting, declare dividends, liquidate the Company or conduct other matters which require shareholders' identity to be ascertained, the board of directors or the convener of the meeting shall determine the equity registration date, and shareholders whose names appear on the register of shareholders after the close of trading of the shares of the Company on such date shall be entitled to the rights and benefits in connection therewith.

Article 34 The shareholders of the Company shall have the following rights:

- (I) to receive dividends and other profit distribution in proportion to the number of shares held by them;
- (II) to request, convene, preside over, attend in person or appoint a proxy to attend the shareholders' general meeting, and to exercise the corresponding right to vote in accordance with laws;
- (III) to supervise and to put forward proposals and make enquires relating to the business operational activities of the Company;
- (IV) to transfer, donate or pledge their shares in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and relevant requirements stipulated by relevant regulatory authorities and these Articles of Association;
- (V) to inspect and copy the Articles of Association, register of shareholders, minutes of the shareholders' general meetings, resolutions of the meetings of the board of directors and financial reports. Shareholders who meet the specified requirements may inspect the Company's accounting books and accounting vouchers;

- (VI) in the event of the termination or liquidation of the Company, to participate in the distribution of residual assets of the Company according to the number of shares held by them;
- (VII) the right to request the Company to purchase the shares held by that shareholder if such shareholder objects to a resolution of the shareholders' general meeting on the merger or division of the Company;
- (VIII) other rights conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Article 35 Shareholders who individually or collectively hold 3% or more of the Company's shares for no less than 180 consecutive days may request to inspect the Company's accounting books and accounting vouchers. Shareholders who request to inspect the Company's accounting books and accounting vouchers shall submit a written request to the Company and state the purpose. If the Company has reasonable grounds to believe that the shareholder's request is made for an improper purpose and may prejudice the Company's legitimate interests, it may deny the request and shall issue a written response to the shareholder within 15 days of receiving the written request and state the reasons. If the Company refuses to provide access, the shareholder may request the People's Court to require the Company to grant access.

Where any shareholder requests to inspect or copy the Company's relevant materials, he/she shall comply with the provisions of the Company Law, the Securities Law and the laws and administrative regulations concerning the protection of state secrets, trade secrets, personal privacy and personal information. Shareholders shall submit a written request to the Company, specifying the purpose, specific content and desired timeframe for inspecting and copying relevant information. He/she shall provide written documentation verifying the class, nature and number of shares held in the Company. He/she shall also sign a confidentiality agreement or confidentiality commitment letter (which must explicitly state the direct relevance of the inspection to the shareholder's legitimate rights and interests, and shall not include any improper competition, harm to the Company's interests or other improper purposes and shall commit to maintaining confidentiality regarding the relevant materials and assume corresponding responsibilities). The specific procedures, method, time, required materials and other requirements for inspection shall be subject to the Company's response. Shareholders shall follow the Company's requirements regarding inspection and copying.

Article 36 If the content of a resolution of a shareholders' general meeting or the board of directors violates any laws or administrative regulations, a shareholder has the right to file a petition with the court to invalidate the resolution.

If the procedure for convening or the method of voting at a shareholders' general meeting or a meeting of the board of directors violates any laws, administrative regulations or these Articles of Association, or if the content of a resolution breaches these Articles of Association, a shareholder has the right to file a petition with the people's court to revoke the resolution within 60 days from the date on which the resolution was passed. However, this shall not apply where the procedures for convening or the method of voting at a shareholders' general meeting or a meeting of the board of directors contain only minor defects which produce no substantial effect on the resolution.

Where the board of directors, shareholders, or other relevant parties dispute the validity of a resolution of the shareholders' general meeting, they shall promptly initiate proceedings in the the people's court. Before the People's Court renders a judgment or ruling, the relevant parties shall comply with the resolution of the shareholders' general meeting. No party may refuse to do so on the grounds that the resolution of the shareholders' general meeting is invalid. The Company, directors and members of the senior management shall duly perform their duties to ensure the normal operation of the Company.

Where the people's court renders a judgment or ruling on the relevant matter, the Company shall perform its information disclosure obligations in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the requirements of the relevant regulatory authorities, fully explain the impact, and actively cooperate with the execution once the judgment or ruling becomes effective. If it is necessary to rectify previous matters, the Company shall handle such matters in a timely manner and fulfill the corresponding information disclosure obligations.

Article 37 A resolution of the shareholders' general meeting or the board of directors shall be invalid under any of the following circumstances:

- (I) the resolution was not made through the convening of a shareholders' general meeting or board meeting;
- (II) no voting was conducted at the shareholders' general meeting or board meeting on the matter to be resolved;
- (III) the number of attendees or the voting rights represented at the meeting did not meet the requirements under the Company Law or these Articles of Association;
- (IV) the number of persons attending or the voting rights represented in favor of the matter to be resolved did not meet the requirements under the Company Law or these Articles of Association.

Article 38 If a director or member of the senior management who are not members of the audit committee has violated any laws, administrative regulations or these Articles of Association in the course of performing his or her duties to the Company, and thereby caused the Company to incur a loss, a shareholder or shareholders who individually or jointly hold 1% or more of the Company's shares for no less than 180 consecutive days has the right to request in writing the audit committee to initiate proceedings in the people's court. If the members of the audit committee has violated the laws, administrative regulations or these Articles of Association in the course of performing its duties to the Company, and thereby caused the Company to incur a loss, the aforementioned shareholder(s) may request in writing the board of directors to initiate proceedings in the people's court in respect thereof.

If the audit committee or the board of directors refuses to initiate proceedings after receipt of a written request from the shareholder(s) as mentioned in the preceding paragraph, or fails to initiate proceedings within 30 days from the date of receipt of the request, or under urgent circumstances where failure to promptly initiate proceedings would cause irreparable harm to the Company's interests, the shareholders mentioned in the preceding paragraph are entitled to directly initiate proceedings in the people's court in their own name in the interests of the Company.

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

Where the directors, supervisors or members of the senior management of a wholly-owned subsidiary of the Company, in performing their duties, violate any laws, administrative regulations or the provisions of these Articles of Association and cause losses to the Company, or where any other person infringes upon the lawful rights and interests of a wholly-owned subsidiary and causes losses, shareholders who individually or collectively hold 1% or more of the Company's shares for not less than 180 consecutive days may, in accordance with the first three paragraphs of Article 189 of the Company Law, request in writing the board of supervisors or board of directors of the wholly-owned subsidiary to initiate proceedings in the people's court, or may directly initiate proceedings in the people's court in their own name.

Where the wholly-owned subsidiary does not have a board of supervisors or supervisors but has an audit committee, the provisions of the first and second paragraphs of this Article shall apply accordingly.

Article 39 If a director or member of the senior management violates laws, administrative regulations or these Articles of Association and prejudices the interests of the shareholders of the Company, the shareholders may initiate proceedings in the people's court in respect thereof.

Article 40 The shareholders of the Company shall assume the following obligations:

- (I) to comply with the laws, administrative regulations and these Articles of Association;
- (II) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (III) not to withdraw their share capital unless otherwise provided by laws or administrative regulations;
- (IV) not to abuse their shareholders' rights to harm the Company's or other shareholders' interests; not to abuse the Company's legal person status or the shareholders' limited liability to harm the interests of the Company's creditors;
- (V) to fulfil other obligations as stipulated by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the requirements of the relevant regulatory authorities.

If a shareholder abuses his/her shareholder rights and causes a loss to the Company or other shareholders, he or she shall be held liable for damages in accordance with laws.

If a shareholder abuses the Company's legal person status or his/her limited liability as a shareholder to evade debts and thereby seriously harms the interests of the Company's creditors, he or she shall bear joint and several liability for the debts of the Company.

Section 2 Controlling Shareholders and De Facto Controllers

Article 41 The controlling shareholder and the de facto controller of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, the requirements of the CSRC and the stock exchange, and shall safeguard the interest of the listed company.

Article 42 The controlling shareholder and the de facto controller of the Company shall comply with the following requirements:

- (I) exercise shareholder rights in accordance with the law, and shall not abuse control rights or use related-party relationships to infringe upon the lawful rights and interests of the Company or other shareholders;
- (II) strictly perform all public statements and undertakings made, and shall not alter or waive them without authorization;
- (III) strictly perform information disclosure obligations in accordance with the relevant requirements, actively cooperate with the Company in its information disclosure work, and promptly inform the Company of any significant events that have occurred or are intended to occur;
- (IV) shall not occupy the Company's funds in any manner;

- (V) shall not force, instruct or require the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (VI) shall not use the Company's undisclosed material information for personal gain, shall not disclose any undisclosed material information related to the Company in any manner, and shall not engage in insider trading, short-swing trading, market manipulation or any other illegal or non-compliant acts;
- (VII) shall not harm the lawful rights and interests of the Company and other shareholders by unfair related-party transactions, profit distribution, asset restructuring, external investments or any other means;
- (VIII) ensure the integrity of the Company's assets, and the independence of its personnel, finances, organization and business operations, and shall not affect the Company's independence in any manner;
- (IX) comply with other requirement stipulated by laws, administrative regulations, the CSRC, the stock exchange and these Articles of Association.

Where the controlling shareholder or the de facto controller of the Company does not serve as a director but actually performs the Company's affairs, the provisions of these Articles of Association regarding the duties of fidelity and diligence of directors shall apply.

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

Article 43 Where the controlling shareholder or de facto controller pledges the Company's shares it holds or effectively controls, it shall ensure the stability of the Company's control and its production and operations.

Article 44 Where the controlling shareholder or de facto controller transfer its shares in the Company, it shall comply with the restrictive provisions on share transfer under laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the requirements of the relevant regulatory authorities, and any undertakings made in respect of restrictions on share transfer.

Section 3 General Provisions for Shareholders' General Meetings

Article 45 The shareholders' general meeting of the Company is composed of all shareholders. The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws.

- (I) to elect and replace the directors and decide on matters relating to the remuneration of the directors;
- (II) to review and approve the reports of the board of directors;
- (III) to review and approve the Company's profit distribution plans and loss recovery plans;
- (IV) to decide on the increase or reduction of the Company's registered capital;

- (V) to decide on the issue of bonds by the Company;
- (VI) to decide on merger, division, dissolution, liquidation of the Company, or changes in the form of the Company;
- (VII) to amend these Articles of Association;
- (VIII) to decide on the Company's appointment or dismissal of the accounting firms engaged for its auditing business;
- (IX) to review and approve the security-related matters stipulated in Article 46 of these Articles of Association;
- (X) to review the matters of purchase and/or sale by the Company within one year of significant assets exceeding 30% of the latest audited total assets of the Company;
- (XI) to review and approve the change of the use of the raised funds;
- (XII) to review stock incentive plans and employee stock ownership plans;
- (XIII) to review other matters which, according to laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association, are subject to shareholders' approval in general meetings.

The shareholders' general meeting may authorize the board of directors to make resolutions on the issuance of corporate bonds.

The Company may, upon a resolution of the shareholders' general meeting, or a resolution of the board of directors authorized by these Articles of Association or the shareholders' general meeting, issue shares and corporate bonds convertible into shares. The specific implementation shall comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the requirements of the relevant regulatory authorities.

Unless otherwise stipulated by laws, administrative regulations, departmental rules, the above-mentioned functions and powers of the shareholders' general meetings shall not be exercised by the board of directors or other bodies and individuals on its behalf by means of authorization.

Article 46 The Company's following activities of providing guarantees shall be examined and approved by the shareholders' general meeting:

- (I) single guarantee with its amount exceeding 10% of the Company's latest audited net assets;
- (II) any guarantee provided by the Company and its holding subsidiaries after the total amount of external guarantees exceeds 50% of the Company's latest audited net assets;
- (III) any guarantee provided for the beneficiary whose debt-to-asset ratio exceeds 70%;
- (IV) the cumulative amount of guarantees provided by the Company within the last twelve months exceeding 30% of the latest audited total assets;

- (V) any guarantee provided by the Company and its holding subsidiaries after the total amount of external guarantees of the exceeds 30% of the latest audited total assets;
- (VI) any guarantee provided for a shareholder, de facto controller and their affiliated parties;
- (VII) other cases of guarantees as stipulated by the Stock Exchange or these Articles of Association.

When the shareholders' general meeting considers the guarantee matters in paragraph (IV) of the preceding paragraph, it shall be approved by more than two-thirds of the votes held by the shareholders present at the meeting.

Article 47 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. Annual general meetings are held once every year and within 6 months from the end of the preceding accounting year.

Article 48 The Company shall convene an extraordinary general meeting within 2 months from the occurrence of any one of the following events:

- (I) where the number of directors is less than the number stipulated in the Company Law or two-thirds of the number specified in these Articles of Association;
- (II) where the unrecovered losses of the Company amount to one-third of the total amount of its share capital;
- (III) where shareholder(s) who individually or jointly hold(s) 10% or more of the Company's shares request(s);
- (IV) whenever the board of directors deems necessary;
- (V) when the audit committee so requests;
- (VI) other circumstances specified in laws, administrative regulations, departmental rules or these Articles of Association.

Article 49 The venue of the shareholders' general meetings of the Company shall be the domicile of the Company or the venue specified in the notice of the shareholders' general meeting.

Shareholders' general meetings shall be held at designated venues, and be convened in the form of on-site meeting or video meeting, online meeting or other electronic communication. While ensuring the lawfulness and validity of the shareholders' general meetings, the Company shall facilitate the shareholders' participation at the shareholders' general meetings by various means and channels, including the provision of modern information technology, such as an online voting platform.

After the notice of the shareholders' general meeting is issued, the venue of the shareholders' general meeting to be held onsite shall not be changed without proper reasons. In the case of any necessary change, the convener shall notify every shareholder and give the reasons therefor at least two working days prior to the date on which the onsite meeting is scheduled.

If the shareholders' general meeting provides online voting, it shall be arranged to be held on a trading day of the Stock Exchange, and the on-site meeting shall not end earlier than the online voting.

The commencement time for online or other means of voting for the shareholders' general meeting shall not be earlier than 3:00 p.m. on the day before the on-site shareholders' general meeting and shall not be later than 9:30 a.m. on the day of the on-site shareholders' general meeting and it shall not end earlier than 3:00 p.m. on the day of the conclusion of the on-site shareholders' general meeting.

Article 50 The Company shall, for general meetings held, engage lawyers to provide legal opinions on the following issues and make related announcement:

- (I) whether or not the procedures for convening of the meeting are in compliance with the requirements of the laws, administrative regulations and these Articles of Association;
- (II) whether or not persons attending the meeting and the convener of the meeting are qualified and lawful;
- (III) whether or not the procedure and results of voting are lawful and valid;
- (IV) any other issues to be addressed by legal opinions as required by the Company.

Section 4 Convening of Shareholders' General Meetings

Article 51 The board of directors shall convene shareholders' general meetings on time within the stipulated period.

Subject to the approval of more than half of all independent directors, independent directors are entitled to propose to the board of directors for convening an extraordinary general meeting. In response to such proposal of the independent directors to convene an extraordinary general meeting, the board of directors shall, within ten days after receiving such proposal, provide a response in writing to indicate whether or not the board agrees to convene such extraordinary general meeting pursuant to the laws, administrative regulations and these Articles of Association.

Where the board agrees to convene such extraordinary general meeting, a notice to convene such general meeting shall be issued within five days after the passing of the relevant resolution by the board. Where the board disagrees to convene such extraordinary general meeting, the board shall give reasons for such decision, which shall also be announced.

Article 52 The audit committee has the right to propose to the board to convene extraordinary general meetings and such proposal shall be made by way of written request(s). The board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations and these Articles of Association.

Where the board agrees to convene such extraordinary general meeting, a notice to convene such general meeting shall be issued within five days after the passing of the relevant resolution by the board, provided that any changes to the original proposal shall be subject to the consent being obtained from the audit committee.

Where the board disagrees to convene such extraordinary general meeting, or where the board fails to provide any response within ten days after receiving such proposal, it shall be deemed that the board has not been able to perform or it does not perform its duty to convene such general meeting, and the audit committee may by itself convene and preside over such meeting.

Article 53 Shareholders separately or aggregately holding 10% or more of the Company's shares (including preferred shares with restored voting rights) have the right to propose to the board to convene an extraordinary general meeting by way of written request(s). The board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the request in accordance with the requirements of the laws, administrative regulations and these Articles of Association.

If the board agrees to convene the extraordinary general meeting, notice convening the meeting shall be issued within five days after the board resolved to do so. If the board makes alterations to the original proposal in the notice, consent has to be obtained from the related shareholders.

If the board of directors does not agree to convene the extraordinary general meeting or does not reply within ten days upon receiving the request, shareholders separately or aggregately holding 10% or more of the Company's shares who wish to propose to the audit committee to convene an extraordinary general meeting shall submit their request to the Audit Committee in writing.

If the audit committee agrees to convene the extraordinary general meeting, notice convening the extraordinary general meeting shall be issued within five days upon receiving the request. Should there be alterations to the original requests in the notice, consent has to be obtained from the related shareholders.

If the audit committee does not issue notice of the extraordinary general meeting within the required period, it will be considered as not going to convene and preside over the extraordinary general meeting, and shareholders separately or aggregately holding 10% or more of the shares of the Company (including preferred shares with restored voting rights) for ninety or more consecutive days have the right to convene and preside over the meeting on their own.

Article 54 If the audit committee or shareholders decide to convene the shareholders' general meeting on their own initiative, they shall notify the board in writing and at the same time file a report with the Stock Exchange.

The audit committee or the convening shareholders shall submit the relevant supporting documents to the Stock Exchange when issuing the notice of the shareholders' general meeting and the announcement of the resolution of the shareholders' general meeting.

Before the resolution of the shareholders' general meeting is announced, the shareholding proportion of the convening shareholders (including preferred shares with restored voting rights) shall not be less than 10%.

Article 55 With regard to the shareholders' general meeting convened by the audit committee or shareholders on their own initiative, the board of directors and the board secretary shall provide assistance. The board of directors shall provide the register of shareholders as of the record date for the general meeting. If the board of directors fails to provide the register of shareholders, the convener may apply to the securities registrar and clearing house for it by presenting the relevant announcement of the notice convening the shareholders' meeting to obtain. The register of shareholders obtained by the convener shall not be used for any purpose other than convening a shareholders' general meeting.

Article 56 The Company shall bear costs and expenses necessary for the shareholders' general meetings, which are convened by the audit committee or shareholders on their own initiative.

Section 5 Proposals and Notices of Shareholders' General Meetings

Article 57 The contents of the proposals of the shareholders' general meetings shall fall within the terms of reference of the general meeting and have specified subjects and specific resolutions, in further compliance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 58 When the Company convenes the shareholders' general meeting, the board of directors, the audit committee or shareholders, individually or collectively, holding no less than 1% of the shares of the Company (including preferred shares with restored voting rights) shall have the right to put forward proposals to the Company.

A shareholder alone or shareholders collectively holding no less than 1% of the shares of the Company (including preferred shares with restored voting rights) may submit interim proposals in writing to the convenor ten days prior to the date of general meeting. The convenor shall issue a supplemental notice of general meeting within two days after receipt of the proposals, with such interim proposals announced, and submit the interim proposals to the shareholders' general meeting for consideration, unless the interim proposals violate the requirements of laws, administrative regulations and these Articles of Association, or do not fall within the scope of the functions and powers of the shareholders' general meeting. If the shareholders' general meeting has to be postponed due to the publication of the supplementary notice of the shareholders' general meeting in accordance with the requirements of the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' general meeting shall be postponed in accordance with such requirements.

Except as provided in the preceding paragraph, the convenor, after issuing the notice of the general meeting, shall neither modify the proposals stated in the notice of general meeting nor add new proposals.

The shareholders' general meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of the shareholders' general meeting or that is inconsistent with these Articles of Association.

Article 59 The convenor shall notify all shareholders in writing (including by way of an announcement) 21 days prior to the convening of the annual general meeting, and each shareholder shall be notified in writing (including by way of an announcement) 15 days prior to the convening of the extraordinary general meeting.

When calculating the starting date and the ending date, the date on which the meeting is convened is excluded.

Article 60 Notice of the general meeting shall include the following:

- (I) the time, venue and duration of the meeting;
- (II) subject matters and proposals submitted for consideration and approval at the meeting;
- (III) particulars shall be in clear text that all ordinary shareholders (including shareholders of preferred shares with restored voting rights) and shareholders holding shares with special voting rights are entitled to attend general meetings and may appoint their proxies in writing to attend and vote at the meetings. Such proxies need not be shareholders of the Company;

- (IV) the equity registration date of the shareholders who are entitled to attend on the general meetings;
- (V) name(s) and telephone number(s) of the standing contact person(s) for the affairs of meetings;
- (VI) online or other means of voting time and voting procedures.

The notice and supplementary notice of the general meeting shall fully and completely disclose the specific contents of all proposals. The period between the record date and the date for the meeting shall not be more than seven trading days. No changes shall be made once the record date is confirmed.

Article 61 Where the election of directors is to be discussed, a notice of the shareholders' general meeting shall fully disclose the particulars of the candidates for directors and shall at least include the following contents:

- (I) Personal particulars such as educational background, working experience and part-time jobs;
- (II) Whether or not the candidate has any connected relationship with the Company or its controlling shareholders and de facto controllers;
- (III) The number of shares of the Company held by the candidate;
- (IV) Whether or not the candidate has been subject to penalties by the CSRC and other relevant authorities as well as disciplinary actions taken by any stock exchange;
- (V) Whether or not they possess the qualification requirements under the securities regulatory rules of the places where the Company's shares are listed.

Except for the election of directors by cumulative voting mechanism, the nomination proposal on each candidate for director shall submit in the form of independent proposal.

Article 62 After the issue of a notice of general meeting, the general meeting shall not, without any proper reason, be postponed or cancelled, and the proposals set out in the notice of meeting shall not be cancelled. In the event of any postponement or cancellation, the convener shall make an announcement at least two working days before the date of the scheduled meeting and state the reason.

Section 6 Holding of Shareholders' General Meetings

Article 63 The board of directors and other convener shall take necessary measures to ensure the good order of the shareholders' general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles or infringing the lawful rights and interests of any shareholder, and shall report in a timely manner such act to the relevant department for investigation and punishment.

Article 64 All the ordinary shareholders (including shareholders of preferred shares with restored voting rights), shareholders holding shares with special voting rights and other shareholders or their proxies recorded in the register of shareholders on the record date are entitled to attend the shareholders' general meeting, and shall speak and exercise their voting rights in accordance with the relevant laws, regulations and these Articles of Association (unless individual shareholders are required to waive their voting rights on certain matters under the securities regulatory rules of the places where the Company's shares are listed).

Any shareholders entitled to attend and vote at a shareholders' general meeting may attend a general meeting in person and may appoint one or more than one proxies to attend, speak and vote on their behalf. The proxy need not be shareholders of the Company.

Article 65 An individual shareholder who attends the shareholders' general meeting in person shall present his/her identity card or other valid identification documents or certificates. Where a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the proxy form.

A corporate shareholder shall attend the meeting by its legal representative or a proxy appointed by the legal representative. The legal representative who attends the shareholders' general meeting shall present his/her identity card and valid certification documents which can prove his/her authority to act as the legal representative. Where a proxy is appointed to attend the meeting, the proxy shall present his/her own identity card and the written proxy form issued in accordance with the law by the legal representative of the corporate shareholder, except for shareholders who are recognized clearing houses (the "Recognized Clearing House") (and their agents) as defined in the relevant ordinance in force from time to time under the Hong Kong laws or the securities regulatory rules of the places where the Company's shares are listed.

Article 66 The proxy form issued by shareholders to authorize other persons to attend the general meeting on their behalf shall clearly state the following:

- (I) name or title of the appointor, and the class and number of shares held in the Company;
- (II) name or title of the proxy;
- (III) specific instructions from the shareholder, including instructions on voting for or against or abstaining from voting on each matter listed on the agenda of the shareholders' general meeting;
- (IV) the signing date and the period of validity of the proxy form;
- (V) signature (or seal) by the appointor. If the appointor is a corporate shareholder, the form shall be affixed with the seal of the legal entity or signed by a legally authorized person.

Article 67 If the proxy form is signed by a person authorized by the appointor, the powers of attorney or other instruments of authorization under which is signed shall be notarized. The powers of attorney or other instruments of authorization so notarized and the proxy form shall be deposited at the domicile of the Company or such other place specified in the notice convening the meeting at least 24 hours before the meeting at which the proxy form is put to vote or 24 hours before the designated voting time.

If the shareholder is a Recognized Clearing House (or its agent) as defined in the relevant ordinance enacted in Hong Kong from time to time, such shareholder may authorize its corporate representative or one or more persons it thinks fit to act as its proxy at any shareholders' general meeting or creditors' meeting. However, if more than one person is appointed as proxies, the proxy form shall clearly state the number and class of shares represented by each of such proxies so authorized. The proxy forms shall be signed by the person authorized by the Recognized Clearing House. The proxies so authorized are entitled to exercise the rights on behalf of the Recognized Clearing House or its agent (without presenting a shareholding certificate, notarized authorization and/or further evidence confirming its due authorization), and shall be entitled to the legal rights equivalent to those of the other shareholders, including the right to speak and vote as if they were individual shareholders of the Company.

Article 68 The attendance register of persons attending meetings shall be prepared by the Company. The register shall set forth the names of attendees (or the attending units), their identity card numbers, number of voting shares held or represented, and names of the appointors (or the appointing units), etc.

Article 69 The convener and the lawyers engaged by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of members provided by the securities registration and clearing authorities, and shall register the names of the shareholders as well as the number of their voting shares. The registration for a meeting shall end before the chairman of the meeting announces the number of shareholders and proxies attending the meeting in person and the total number of their voting shares held.

Article 70 If the shareholders' general meeting requires directors and members of the senior management to attend the meeting, such directors and members of the senior management shall be present and be available to answer shareholders' questions.

Article 71 The general meeting shall be chaired by the chairperson of the board. In the event the chairperson of the board is unable to perform his/her duties or fails to perform his/her duties, the general meeting shall be chaired by the vice chairperson. Where the vice chairperson is unable to perform his/her duties or fails to perform his/her duties, the general meeting shall be chaired by a director jointly nominated by more than half of the directors.

A general meeting convened by the audit committee shall be chaired by the chairperson of the audit committee. In the event the chairperson of the audit committee is unable to perform his/her duties or fails to perform his/her duties, a member of the audit committee jointly elected by more than half of the members of the audit committee shall preside over the meeting.

A general meeting convened by shareholders shall be chaired by the convener or the representative nominated by the convener of such meeting.

In convening any general meeting, if the chairperson of the meeting has violated these Articles of Association and the relevant rules of procedures, such that the meeting may not proceed further, with the consent of shareholders representing more than half of the voting rights present at such meeting, the general meeting may elect a person to chair the meeting so that the meeting may proceed further.

Article 72 The rules of procedures of shareholders' general meetings shall be formulated by the Company, which shall stipulate the procedures for convening, holding and vote procedures of the shareholders' general meeting, including notice, registration, consideration and approval of proposals, voting, vote counting, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and its signing, announcement, and the principles for the shareholders' general meeting authorizing power to the board. The authorization shall be clear and specific. The rules of procedures of shareholders' general meetings shall constitute an appendix to the Articles of Association, which shall be proposed by the board and approved by the shareholders' general meeting.

Article 73 At the annual general meeting, the board shall report to the general meeting on their work in the past year. Each independent director shall also report on their work.

Article 74 Directors, members of the senior management shall offer clarifications and explanations to the interpellations and suggestions made by shareholders during the general meeting.

Article 75 Prior to voting, the chairperson of the general 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 Minutes of shareholders' general meetings shall be compiled by the secretary to the board. The minutes shall contain the following:

- (I) the date, place and agenda of the meeting, and the name of the convener;
- (II) the name of the chairperson of the meeting, and directors and members of the senior management present at the meeting;
- (III) the number of shareholders and proxies attending the meeting, the total number of their voting shares and their respective proportions to the total number of shares of the Company;
- (IV) the proceeding of examination of each proposal, summary of the points discussed and results of voting;
- (V) questions and proposals put forward by shareholders and the answers or explanation thereof;
- (VI) names of lawyers and vote-counters and scrutineers;
- (VII) such other matters as shall be recorded in the minutes of meetings pursuant to these Articles of Association.

Article 77 The convener shall ensure that the contents of the minutes of meetings are authentic, accurate and complete. Directors, the board secretary, the convener or his/her representative and the chairperson of meeting attending or present at the shareholders' general meeting shall sign on the minutes of the meeting. Minutes of meetings shall be kept together with the attendance list for shareholders and authorization letters given for proxies, and any other valid information concerning online exercise of voting rights or otherwise. The period of maintaining such records shall be ten years.

Article 78 The convener shall ensure that a general meeting is conducted continuously until resolutions are formed. Where the general meeting is adjourned or the relevant resolutions are not formed for special reasons such as force majeure, all necessary measures shall be taken to re-convene the general meeting as soon as practicable or, alternatively, the meeting shall be terminated, and the related announcement shall be made on a timely basis. At the same time, the convener shall report to the dispatching organization of the China Securities Regulatory Commission where the Company is located and to the Stock Exchange.

Section 7 Voting and Resolutions at Shareholders' General Meeting

Article 79 Resolutions of the general meeting include ordinary resolutions and special resolutions.

Ordinary resolution at a general meeting shall be adopted by shareholders in attendance holding more than half of the voting rights. Special resolution at a general meeting shall be adopted by shareholders in attendance holding at least two-thirds of the voting rights. Shareholders mentioned in this Article includes shareholders who attend the shareholders' general meeting by proxy.

Article 80 The following matters shall be approved by an ordinary resolution of a general meeting:

- (I) work reports of the board of directors;
- (II) proposals formulated by the board of directors for distribution of profits and for making up accrued losses;
- (III) appointment and removal of members of the board of directors, their remuneration and method of payment of their remuneration;
- (IV) all matters required to be approved by a general meeting other than those required to be approved by way of special resolution under any laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed or these Articles of Association.

Article 81 The following matters shall be approved by special resolution of a general meeting:

- (I) the increase or reduction of the registered capital by the Company;
- (II) the division, spin-off, merger, dissolution and liquidation;
- (III) the amendment to these Articles of Association;
- (IV) the amount of purchase and the sale of major assets or the guarantee provided to others by the Company within one year exceeds 30% of the latest audited total assets of the Company;
- (V) the share incentive schemes;
- (VI) other matters which the laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed or these Articles of Association require to be adopted by special resolutions and which the general meeting, by an ordinary resolution, considers to have a material impact on the Company and therefore require to be adopted by a special resolution.

Article 82 Shareholders may exercise their voting rights in respect of the number of shares represented by them which carry the right to vote. Each share carries one vote, except for holders of class shares. When voting by ballot, a shareholder with two or more votes need not cast all votes as affirmative, negative or abstention votes.

Where material matters affecting the interests of small-to-medium sized investors are being considered at a shareholders' general meeting, each vote cast by the small-to-medium sized investors shall be counted separately. Results of votes counted separately shall be disclosed in a timely manner.

The shares held by the Company do not carry any voting rights, and such shares shall not be counted in the shares carrying voting rights of shareholders who are entitled to attend such meeting. If any shareholder is required to abstain from voting on any particular resolution or is restricted to voting only for (or only against) any resolution under applicable laws and regulations and the Hong Kong Listing Rules, any vote cast by such shareholder (or his/her proxy) in contravention of such requirement or restriction shall not be counted towards the total number of shares with voting rights.

If a shareholder purchases the voting shares of the Company in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the shares exceeding the prescribed proportion shall not exercise voting rights within 36 months after the purchase and not included in the total number of shares with voting rights of shareholders attending the shareholders' general meeting.

The board of directors, independent directors and shareholders with no less than one percent of voting shares or investor protection institutions established by laws, administrative regulations or provisions of the China Securities Regulatory Commission may publicly solicit voting rights from shareholders. In soliciting of voting rights from shareholders, information such as specific voting intention shall be sufficiently disclosed to the shareholders from whom voting rights are being solicited. Solicitation of voting rights at any consideration, whether in direct or indirect form, is prohibited. Unless under legal terms, the Company shall not propose any minimum shareholding restriction on the solicitation of voting rights.

Shareholders mentioned in paragraph 1 of this Article includes shareholders who attend the shareholders' general meeting by proxy.

Article 83 A shareholder interested in any related-party transaction deliberated at a shareholders' general meeting shall abstain from voting on such matter. The voting shares held by such shareholder shall not be counted in the valid total voting shares, and the announcement regarding the resolutions of the shareholders' general meeting shall fully disclose the votes by the non-interested shareholders.

When the shareholders' general meeting proceeds to deliberate such related-party transaction, the interested shareholder shall take the initiative to declare the nature of his/her interest and abstain from voting; and if he/she fails to do so, other shareholders may request him/her to declare the same and abstain from voting. The convener shall investigate whether such shareholder is an interested shareholder and whether such shareholder should abstain from voting according to the relevant regulations.

An interested shareholder who should abstain from voting may participate in the discussion of the related-party transaction involving him/her, and provide explanations and justifications for the reason for entry into such related-party transaction, basic information of such transaction, and fairness and legality of such transaction at the shareholders' general meeting.

If the interested shareholder is unable to abstain from voting due to any special circumstances, the Company may, after obtaining the consent of the China securities regulatory authorities, vote according to the normal procedures, provided that a detailed explanation shall be included in the resolutions of the shareholders' general meeting.

After the end of the shareholders' general meeting, if any shareholder discovers that any interested shareholder participated in the vote on any related-party transaction, or has an objection over the application of the abstention principle, such shareholder shall have the right to bring an action in respect of the relevant resolutions at the people's court in accordance with the provisions of these Articles of Association.

Article 84 Unless the Company is under exceptional circumstances such as crisis, the Company shall not enter into contracts with any person (other than a director and member of the senior management) in relation to handover of the administration of all business or the important business of the Company to that person without the approval of the general meeting by way of a special resolution.

Article 85 Lists of candidates for directors shall be proposed to the shareholders' general meeting for voting. When voting on the election of directors at a shareholders' general meeting, the cumulative voting system may be adopted pursuant to provisions of these Articles of Association or the resolution of the shareholders' general meeting. When electing two or more independent directors at the shareholders' general meeting, the accumulative voting system shall be adopted.

Except for cumulative voting system adopted for the election of directors, each candidate of director should be proposed individually. The board of directors shall announce to shareholders the biography and the basic information of the candidates for directors.

The nomination methods and procedures for directors are as follows:

- (I) The board of directors and shareholders individually or collectively holding 1% or more of the shares in the Company shall have the right to nominate non-independent directors candidates, and after soliciting the opinions of such nominees and examining their qualifications, the board of directors shall submit a proposal to the shareholders' general meeting.
- (II) The nomination methods and procedures of independent directors shall be in accordance with the relevant provisions of laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company's shares are listed.

Cumulative voting shall be adopted under the following circumstances:

- (I) to elect two or more independent directors;
- (II) to elect two or more directors when the proportion of shares in which a single shareholder and its concert parties are interested is 30% or more.

The specific operating procedures of the cumulative voting system are as follows:

- (I) Independent directors and non-independent directors of the Company shall be elected and voted separately.
- (II) During the election of independent directors, the number of votes that each shareholder is entitled shall be the number of shares held by him/her multiplied by the number of independent directors that he/she is entitled to elect. Such votes could only be casted for the candidates of the independent directors of the Company, and the candidates who receives the highest number of votes shall be elected.
- (III) During the election of non-independent directors, the number of votes that each shareholder is entitled shall be the number of shares held by him/her multiplied by the number of non-independent directors that he/she is entitled to elect. Such votes could only be casted for the candidates of the non-independent directors of the Company, and the candidates who receives the highest number of votes shall be elected.

- (IV) Where the number of candidates exceed such numbers prescribed in these Articles of Association, the number of independent directors and non-independent directors each shareholder vote for shall not exceed such numbers prescribed in these Articles of Association, and the total number of votes shall not exceed the number of votes to which the shareholder is entitled, otherwise the voting shall be invalid.
- (V) Counting officers and scrutinizers of the shareholders' general meeting shall carefully check the aforesaid circumstances to guarantee fair and effective accumulative voting.

Article 86 Except where the cumulative voting system is adopted, the shareholders' general meeting shall vote on all proposals one by one. If there are different proposals on the same issue, the proposals shall be voted on in chronological order according to the sequence they are proposed. Except for the reasons of force majeure or other special reasons which cause the shareholders' general meeting to be adjourned or no resolutions can be made, the shareholders' general meeting shall not postpone or refuse to vote on any proposals.

Article 87 No amendment shall be made to the proposals when the shareholders' general meeting is examining the proposals, if any amendment is made, it shall be deemed a new proposal, which may not be voted on this general meeting.

Article 88 The same voting right shall only be exercised by one means, either through onsite voting or via internet or other voting means. If the same voting right is exercised in more than one means, the result of the first vote cast shall prevail.

Article 89 Voting at the general meeting shall be taken by way of registered poll.

Article 90 Before the relevant proposal is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the voting. Any shareholder who has related relationship with the matter under consideration and his/her proxy shall not take part in counting and scrutinizing the voting.

There shall be lawyers and representatives of shareholders to count and scrutinize the voting jointly when proposals are voted on at a general meeting. The results shall be declared at the meeting and recorded in the minutes of the meeting.

Shareholders or their proxies, who have cast their votes by internet or other methods, shall have the right to verify their voting results in the corresponding voting system.

Article 91 The conclusion of a general meeting onsite shall not be earlier than internet or other access to the meeting. The chairperson of the meeting shall announce the voting and the results of each proposal and shall, on the basis of the voting result, announce whether the proposal is approved or not.

The companies, counting officers, scrutinizers, shareholders, internet service provider and all relevant parties in relation to voting on site, by internet and other voting methods, shall keep confidential of the voting results prior to the official announcement of voting results.

Article 92 Shareholders attending the shareholders' general meetings shall express one of the following opinions on the proposals submitted for voting: for, against or abstain, except where the securities registration and clearing institution, as a nominee holder under the Mainland-Hong Kong Stock Connect Scheme, makes declarations according to the intentions of the actual holders.

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

If there are different proposals on the same matter, shareholders or their proxies may not vote in favor of the different proposals on the same matter at the same time at the shareholders' general meetings.

Article 93 If the chairperson of the meeting has any doubt as to the voting results of a resolution, he/she may conduct a count of the votes cast. If the chairperson of the meeting fails to conduct a count of votes, any shareholder, whether present in person or by proxy, who objects to the results declared by the chairperson of the meeting may immediately after the declaration of results demand a count of votes, and the chairperson of the meeting shall conduct a count of votes immediately.

Article 94 The resolutions of the shareholders' general meeting shall be announced promptly. Such announcement shall specify the number of shareholders present in person or by proxy at the meeting, the total number of voting shares held or represented by them, the percentage of such voting shares in relation to all the voting shares of the Company, the voting methods, the voting result of each proposal, and details of each resolution that is passed at the meeting.

Article 95 Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the announcement of the resolutions of the general meeting.

Article 96 If the proposal on election of new directors is passed at the general meeting, new directors shall take the position on the date when the resolution is passed at the shareholders' general meeting.

Article 97 Where a proposal in relation to the payment of cash dividends, stock dividend or the conversion of capital common reserve to share capital has been passed at a general meeting, the Company shall implement the specific plans 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 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 requirements and the actual situation.

CHAPTER 5 BOARD OF DIRECTORS

Section 1 General Provisions for Directors

Article 98 Directors of the Company may include executive directors, non-executive directors and independent directors. Non-executive director refers to the director who does not hold any operational management position in the Company, and independent director refers to the person who complies with the requirement set out in these Articles of Association (consistent with the meaning of "independent non-executive director" in the Hong Kong Listing Rules). Directors of the Company shall be natural persons. A person shall be disqualified from being a director of the Company in each of the following circumstances:

- (I) a person who suffers from any incapacity or restricted capacity from undertaking civil liabilities;
- (II) a person who has been sentenced for corruption, bribery, infringement of property, misappropriation of property or other crimes which destroy the socialist market economic order, or a person who has been deprived of his political rights for committing a crime, where less than five years have elapsed since the sentence was served, or has been declared on probation, where less than two years have elapsed since the date of the completion of the probation period;

- (III) a person who is a former director, factory manager or general manager of a company or enterprise which has been put into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;
- (IV) a person who is a former legal representative of a company or enterprise the business license of which was revoked and is ordered to close down due to a violation of law and who was personally liable therefore, where less than three years have elapsed since the date of the revocation of the business license and the order of closure;
- (V) a person who has been listed as a dishonest person subject to enforcement by the people's court due to a relatively large amount of debts due and outstanding;
- (VI) a person who has been forbidden by the securities regulatory authorities of the PRC to access the securities market with a period yet to be expired;
- (VII) a person who has been publicly recognized by the Stock Exchange as unsuitable to be directors and members of the senior management of listed companies with a period yet to be expired;
- (VIII) any other circumstances provided by laws, administrative regulations, departmental rules and the Listing Rules of the place where the Company's shares are listed.

The last day of the above period shall be the date on which the shareholders' general meeting of the Company considered the resolution for the appointment of candidates for directors.

If the election or appointment of a director has violated this article, such election, appointment or employment shall be invalid.

In the event that a director, during his/her term of office, falls under any of the circumstances set forth in paragraphs (I) to (V) of the first paragraph of this Article or is prohibited from serving as a director in accordance with the Company Law and other laws and regulations and other relevant requirement, such director shall immediately cease to perform his/her duties and be relieved from his/her duties by the Company. In the event that a director of the Company experiences any of the circumstances set forth in paragraphs (VII) and (VIII) of this Article during his/her term of office, the Company shall relieve him/her from his/her duties within thirty days from the date of occurrence of such fact. An independent director who fails to comply with the requirements of Article 7(I) or (II) of the "Administrative Measures for Independent Directors of Listed Companies" shall immediately cease to perform his/her duties and resign from his/her office. If resignation is not submitted, the board of directors shall immediately remove him/her from office in accordance with the provisions after knowing or should have known of the occurrence of such fact, except as otherwise provided by laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and relevant regulatory authorities.

Where a director concerned who should have ceased to perform his/her duties but has not yet done so, or who should have been removed from office but has not yet been removed, participates in and votes at a meeting of the board of directors or any of its special committees or at a meeting of independent directors, his/her vote shall be invalid and shall not be counted toward the quorum.

Article 99 Directors shall be elected or replaced by the shareholders' general meeting and may be removed by way of an ordinary resolution at the shareholders' general meeting before the expiration of the term of office. Such removal shall not prejudice the director's claim for damages under any contract. Directors shall serve a term of three years and may serve a consecutive term if re-elected upon expiration of their term of office in accordance with the securities regulatory rules of the places where the Company's shares are listed.

The term of office of a director shall commence from the date on which he/she assumes office and shall expire upon the expiration of the term of office of the current board of directors. In the event that a new director is not elected upon the expiry of term of office of the former director in a timely manner, the former director shall still, according to the provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association, perform the director's duties before the newly-elected director takes office.

A director appointed by the board of directors to fill a casual vacancy or as an addition to the board of directors shall hold office for a term commencing from the date of his/her appointment until the shareholders' general meeting after his/her appointment at which a successor is elected (but no later than the first annual general meeting after appointment), and shall be eligible for re-election by then.

The board of director of the Company comprises 1 employee representative as a director of the Company, who shall be democratically elected through employee representatives' meeting, employees' meeting or by other means, and such election does not need to be submitted to the shareholders' general meeting for consideration. Members of the senior management may concurrently serve as directors, provided that the total number of directors who concurrently serve as members of the senior management and directors served by employee representatives shall not exceed half of the total number of directors of the Company.

The election and appointment procedure of directors is as follows:

- (I) to nominate a director candidate in accordance with Article 85 of these Articles of Association;
- (II) the Company shall disclose the details of the director candidate in the form of an announcement prior to the shareholders' general meeting to ensure that the shareholders have sufficient understanding of the candidates when casting their votes;
- (III) the director candidate makes a written undertaking before the shareholders' general meeting that they agree to accept the nomination, undertake that the information publicly disclosed about the director candidate is true and complete and guarantee that he/she will fulfill their duties as directors in good faith after being elected;
- (IV) to vote on the director candidate in accordance with the provisions of Article 85 of these Articles of Association;
- (V) the Company shall enter into an employment contract with the director after he/she has been elected.

Article 100 Directors shall abide by the provisions of laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association and bear duties of fidelity towards the Company. They shall take measures to avoid conflict of interest between themselves and the Company and shall not seek any improper benefits by abusing their powers.

Directors shall bear the following duties of fidelity to the Company:

- (I) not to expropriate the Company's property and not to misappropriate the Company's funds;
- (II) not to open in his/her own name or in another person's name any bank account for the purpose of depositing any of the Company's funds;
- (III) not to abuse their authority to bribe or accept other illegal income;

- (IV) not to conclude any contract or engage in any transaction with the Company directly or indirectly without reporting to the board of directors or the shareholders' general meeting, and obtaining approval by a resolution of the board of directors or the shareholders' general meeting in accordance with these Articles of Association;
- (V) not to take advantages of his/her position to pursue for himself/herself or any other person any business opportunity that belongs to the Company, except where he/she has reported to the board of directors or the shareholders' general meeting and obtained approval by resolution of the shareholders' general meeting, or where the Company cannot utilize such business opportunities in accordance with laws, administrative regulations, or these Articles of Association;
- (VI) not run the same type of business as those of the Company for himself/herself or for others, without reporting to the board of directors or the shareholders' general meeting and obtaining approval by resolution of the shareholders' general meeting;
- (VII) not to accept and embezzle commissions from transactions conducted between others and the Company;
- (VIII) not to disclose the Company's confidential information without permission;
- (IX) not to damage the interests of the Company by taking advantage of his/her related relationship with the Company;
- (X) other duties of fidelity provided by laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association.

The income incurred by the director in violation of this Article shall be accounted to the Company; for any loss caused to the Company, he/she shall be liable for compensation.

The provisions of sub-paragraph (IV) of the second paragraph of this Article shall apply to contracts or transactions entered into with the Company by close relatives of directors and members of the senior management, enterprises directly or indirectly controlled by directors, members of the senior management, or their close relatives, and other related parties who has other affiliations to directors and members of the senior management.

Article 101 Directors shall abide by laws, administrative regulations and these Articles of Association, and bear the duties of diligence to the Company. When performing their duties, they shall, for the best interest of the Company, exercise the reasonable care that shall be generally possessed by a manager.

Directors shall bear the following duties of diligence to the Company:

- (I) to exercise the rights conferred by the Company in a prudent, careful and diligent way so as to ensure that the business activities of the Company are in compliance with the PRC laws, administrative regulations and various economic policies of the PRC, and that the business activities do not exceed the business scope specified in the business license of the Company;
- (II) to treat all shareholders equally;

- (III) to timely understand the business operations and management of the Company;
- (IV) to sign a written confirmation to the Company's periodic reports, to ensure that the information disclosed by the Company is true, accurate and complete;
- (V) to provide information and materials according to the facts to the audit committee and not to hinder the audit committee from exercising their powers;
- (VI) other duties of diligence as prescribed by the laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association.

Article 102 A director shall be deemed to be unable to perform his/her duties if he/she fails to attend two consecutive board meetings in person without appointing an alternate director to attend on his/her behalf. The board of directors shall propose at the shareholders' general meeting for the removal of such director.

Article 103 A director may resign prior to the expiration of his/her term of office. A resigning director shall submit a written notice of his/her resignation to the Company. The resignation will be effective on the date the Company receives the resignation report. The Company shall disclose the relevant information within 2 trading days.

In the event that the number of board members of the Company falls below the statutory minimum requirement by reason of the resignation of a director, or in the event that the proportion of independent directors in the board of directors of the Company or its specialized committees fails to meet the requirements of laws and regulations, the securities regulatory rules of the places where the Company's shares are listed or these Articles of Association or there is no independent director with accounting or financial expertise by the reason of the resignation of an independent director, before the newly appointed director serves the directorship, the original director shall continue to perform the director's duties in accordance with the laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association.

Article 104 The Company has a system in place to manage the departure of directors, which specifies safeguards for pursuing accountability and seeking compensation for unfulfilled public commitments and other outstanding matters. A director shall, upon his/her resignation becomes effective or expiration of his/her term of office, complete all handover formalities with the board of directors. His/Her duties of fiduciary towards the Company and the shareholders shall not expire after the end of his/her term of office and will still be effective for 3 years after the expiration of his/her term of office. His/Her duties of confidentiality in relation to trade secrets of the Company shall survive upon the expiration of his/her office until such trade secrets are publicly disclosed. The duration of other obligations of fidelity borne by a director to the Company and its shareholders shall be determined on an arm's length basis by comprehensively considering the nature of the event, its significance to the Company, the duration of the impact on the Company and its relationship with the Company and other factors. A director's responsibilities incurred during his/her tenure for the performance of duties shall not be discharged or terminated upon his/her departure from office.

Article 105 The shareholders' general meeting may resolve to remove a director, and the resolution shall take effect from the date it is made. If a director is removed before the expiry of their term of office without proper cause, he/she may demand compensation from the Company.

Article 106 Except as required by these Articles of Association or except as lawfully authorized by the board of directors, no director shall act on behalf of the Company or the board of directors in his/her own name. Where a director acts in his/her own name and a third party reasonably considers such director acts on behalf of the Company or the board of directors, such director shall declare in advance his/her position and capacity.

Article 107 If a director causes damage to others in the performance of his/her duties in the Company, the Company shall bear the liability for compensation. If the director acts with intent or gross negligence, they shall also bear liability for compensation.

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

Section 2 Board of Directors

Article 108 The Company shall set up a board of directors, comprising 8 directors, including 3 independent directors. The board of directors shall have 1 chairman and 1 vice chairman. Chairman and vice chairman shall be elected by a majority vote of all directors of the board of directors.

Article 109 The board of directors shall exercise the following functions and powers:

- (I) to convene general meetings and report to the general meetings;
- (II) to implement resolutions of the general meetings;
- (III) to decide on the Company's business plans and investment plans;
- (IV) to formulate the Company's profit distribution plans and plans on making up losses;
- (V) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities of the Company and listing of shares of the Company;
- (VI) to formulate plans for the Company's major acquisition, acquisition of the shares of the Company, or merger, division, dissolution or change of corporate form of the Company;
- (VII) to decide on matters such as external investments, acquisition or sale of assets, pledge of assets, external guarantees, entrusted wealth management, related-party transactions and donations of the Company within the scope of authorization by the general meeting;
- (VIII) to decide on establishment of internal management organs of the Company;
- (IX) to appoint or dismiss the Company's president, secretary to the board of directors and other members of the senior management, and to decide on matters over the remunerations and rewards and punishments thereof; and to appoint or dismiss the Company's executive vice president, vice president, head of finance and other members of the senior management as well as their remunerations and rewards and punishments according to the nomination of the general manager;

- (X) to formulate the basic management system of the Company;
- (XI) to formulate proposals to amend these Articles of Association;
- (XII) to manage the disclosure of the Company's information;
- (XIII) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;
- (XIV) to listen to the work report of the president of the Company and to inspect the work of the president of the Company;
- (XV) other functions and powers provided for in laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed, these Articles of Association and shareholders' general meetings.

Article 110 The board of directors shall explain to the shareholders' general meeting the non-standard auditing opinions presented by certified accountants with respect to the Company's financial reports.

Article 111 The board of directors shall formulate the rules of procedures of the board of directors, to ensure the implementation of the resolutions made at shareholders' general meetings, improve working efficiency and ensure a scientific decision-making process. The rules of procedures of the board of directors shall serve as an annex to the Articles of Association and shall be drafted by the board of directors and approved by the shareholders' general meeting.

Article 112 The board of directors shall lay down strict procedures to inspect and decide on the decision-making authority for external investments, acquisition or sale of assets, pledge of assets, entrusted wealth management, related-party transactions and external donations. For major investment projects, the board of directors shall organize the relevant experts and professionals to conduct assessment for approval of the shareholders' general meeting.

- (I) Subject to the laws, regulations, the securities regulatory rules of the places where the Company's shares are listed and other provisions of these Articles of Association and for the purchase or disposal of assets, external investments (including entrusted wealth management, investment in subsidiaries, etc.), lease of assets as lessee or lessor, asset and business management as consignor or consignee, receiving donation of assets (excluding donated cash assets), credit and debt reorganization, transfer of research and development projects as transferor or transferee, signing of licensing contracts, waiver of rights (including waiver of pre-emptive rights, pre-emptive rights to subscribe capital, etc.) and other transaction activities of the Company satisfying one of the following standards, they shall be approved by the board of directors upon the authorization at the shareholders' general meetings:
 1. The total assets involved in the transaction account for more than 10% of the Company's total audited assets of in the latest period. However, if the total assets involved in the transaction account for more than 50% of the Company's total audited assets for the latest period, the transaction shall also be submitted to the shareholders' general meeting for deliberation. If the total assets involved in the transaction have both book value and appraised value, the higher of which shall be used for calculation. Among them, if the purchase or sale of assets (calculated on the basis of the higher of the total amount of assets and the transaction amount) within one year exceeds 30% of the Company's total audited assets for the latest period on a cumulative basis according to the type of transaction, a resolution shall be made by the board of directors and submitted to the shareholders' general meeting for consideration and approval by way of a special resolution;

2. The net assets involved in the transaction subject (such as equity) account for more than 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million. However, if the net assets involved in the transaction subject (such as equity) account for more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million, the transaction shall also be submitted to the shareholders' general meeting for deliberation. If the total assets involved in the transaction have both book value and appraised value, the higher of which shall be used for calculation.
3. The business income related to the transaction subject (such as equity) in the latest accounting year accounts for more than 10% of the audited business income of the Company in that year, and the absolute amount exceeds RMB10 million. However, if the business income related to transaction subject (such as equity) in the latest accounting year accounts for more than 50% of the audited business income of the Company in that year, and the absolute amount exceeds RMB50 million, the transaction shall also be submitted to the shareholders' general meeting for deliberation;
4. The net profit related to the transaction subject (such as equity) in the latest accounting year accounts for more than 10% of the audited net profit of the Company in that year, and the absolute amount exceeds RMB1 million. However, if the net profit related to transaction subject (such as equity) in the latest accounting year accounts for more than 50% of the audited business income of the Company in that year, and the absolute amount exceeds RMB5 million, the transaction shall also be submitted to the shareholders' general meeting for deliberation;
5. The transaction amount (including liabilities and expenses incurred) accounts for more than 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million. However, if the transaction amount (including liabilities and expenses incurred) accounts for more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million, the transaction shall also be submitted to the shareholders' general meeting for deliberation;
6. The profits from the transaction account for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1 million. However, if the profits from the transaction account for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB5 million, the transaction shall also be submitted to the shareholders' general meeting for deliberation.

In case of negative values of the above indicators, the absolute values shall be taken into account.

If the transaction subject is an equity and the purchase or sale of such equity will result in a change in the scope of the Company's consolidated financial statements, the provisions of this Article shall apply to the relevant financial indicators of the subject company in relation to such equity.

The above transactions do not include purchases of raw materials, fuel and power, acceptance of labor, sales of products and commodities, provision of labor and contracting of works, and other matters related to daily operations, but asset swaps involving the purchase or sale of such assets are still included.

If the above transaction is an external investment by the Company to establish a limited liability company or a joint stock limited company, and if the capital contribution can be paid in full by installments in accordance with Article 26 or Article 80 of the Company Law, the provisions of this paragraph shall apply on the basis of the full amount of the capital contribution as agreed upon.

The “entrusted wealth management” transactions of the Company shall be calculated on the basis of the amount incurred.

The same type of transaction related to the same transaction subject that occurs within 12 consecutive months of the Company shall be calculated on a cumulative basis. Where the deliberation has been performed in accordance with the provisions of this Article, it shall no longer be included in the relevant cumulative calculation.

- (II) In the event of the provision of guarantees by the Company, the matter shall be considered and approved by the board of directors. In the event of the provision of guarantees as stipulated in Article 46 of these Articles of Association, the Company shall also submit the matter to the shareholders’ general meeting for deliberation and approval upon the consideration and approval by the board of directors. When the board of directors deliberates on matters of guarantee, in addition to being considered and approved by no less than half of all the directors, it shall also be considered, approved and resolved by more than two-thirds of the directors present at the board meeting.
- (III) If the provision of external financial assistance by the Company falls under one of the following circumstances, it shall also be submitted to the shareholders’ general meeting for deliberation upon the consideration and approval by the board of directors:
 - 1. The latest gearing ratio of the subsidized object exceeds 70%;
 - 2. The amount of a single financial assistance or the cumulative amount of financial assistance provided within the last twelve months exceeds 10% of the Company’s latest audited net assets;
 - 3. Such other circumstances as may be prescribed by the Stock Exchange or these Articles of Association exist.

When the board of directors of the Company deliberates on the provision of financial assistance to external parties (except for related-party transactions), in addition to being considered and approved by no less than half of all the directors, it shall also be approved and resolved by more than two-thirds of the directors present at the board meeting, and the related directors must abstain from voting; in the event that the number of voting members is less than three, the matter shall be submitted to the shareholders’ general meeting for deliberation directly.

- (IV) Transactions between the Company and related natural persons with a transaction amount exceeding RMB300,000, and transactions with related legal persons (or other organizations) with a transaction amount exceeding RMB3 million and accounting for more than 0.5% of the absolute value of the Company’s latest audited net assets, shall be considered and approved by the board of directors.

Transactions between the Company and related parties (except for the Company’s receipt of cash assets and provision of related guarantees) with an amount exceeding RMB30 million and accounting for more than 5% of the absolute value of the Company’s latest audited net assets shall be considered and approved by the shareholders’ general meeting.

Transactions between the Company and the same related party (including other related parties under the control of the same entity or in an equity control relationship with each other) or transactions with different related parties relating to the same transaction subject within a consecutive twelve-month period shall be calculated on a cumulative basis.

- (V) If the amount of a single donation or the aggregate amount of donations during the accounting year exceeds 0.5% of the Company's latest audited net assets but does not exceed 1% (inclusive) of the Company's latest audited net assets, it shall be implemented after consideration and approval by the board of directors of the Company; if the amount of a single donation or the aggregate amount of donations during the accounting year exceeds 1% of the Company's latest audited net assets, it shall be implemented after approval by the shareholders' general meeting of the Company.

The same type of transaction related to the same transaction subject that occurs within 12 consecutive months of the Company shall be calculated on a cumulative basis. Where the deliberation has been performed in accordance with the provisions of this Article, it shall no longer be included in the relevant cumulative calculation.

Transactions of the Company's controlled subsidiaries, such as external investment and disposal of assets, shall be carried out in accordance with the provisions of their articles of association, provided that the decision-making authorization granted by the articles of association of the controlled subsidiaries to the board of directors or the executive directors of such company shall not exceed the authorization granted by the board of directors of the Company. The Company's intention to vote at a subsidiary's shareholders' general meeting shall be based on a direction given by the Company's president (office meeting), the board of directors, or a shareholders' general meeting.

Where the aforesaid matters involve other laws, administrative regulations, departmental rules, normative documents, or where the securities regulatory rules of the places where the Company's shares are listed provide otherwise, such provisions shall prevail.

Article 113 The chairperson of the board of directors shall exercise the following functions and powers:

- (I) to preside over shareholders' general meetings and to convene and preside over board meetings;
- (II) to supervise and inspect the implementation of resolutions of the board of directors;
- (III) to sign on the documents of the board of directors;
- (IV) to exercise the special right to handle the Company affairs in compliance with legal provisions and in the interests of the Company when a force majeure emergency such as an extreme natural disaster occurs, and to report to the board of directors and the shareholders' general meeting subsequently;
- (V) to exercise the powers and functions of Article 109 (II), (XII) and (XIV) of these Articles of Association when the board of directors is not in session;
- (VI) to exercise other powers and duties delegated by the board of directors.

The foregoing shall not apply to any matter that, under the Company Law and other relevant laws and regulations or the securities regulatory rules of the place where the Company's shares are listed, is expressly required to be considered and approved by the board of directors or the shareholders' general meeting.

Article 114 The vice chairperson shall assist the chairperson. In the event the chairperson of the board is unable to perform his/her duties or he/she does not perform his/her duties, the duties shall be performed by the vice chairperson. Where the vice chairperson is unable to perform his/her duties or he/she does not perform his/her duties, the duties shall be performed by a director nominated by more than half of the directors.

Board meetings shall be convened and presided over by the chairperson of the board. In the event the chairperson of the board is unable to perform his/her duties or he/she does not perform his/her duties, the meetings shall be presided over by the vice chairperson. Where the vice chairperson is unable to perform his/her duties or he/she does not perform his/her duties, the meetings shall be convened and presided over by a director nominated by more than half of the directors.

Article 115 The board of directors shall convene at least 4 regular meetings every year, and the board meetings shall be convened by the chairperson. All the directors shall be notified in writing 14 days prior to the convening of a board meeting.

Article 116 Shareholders representing no less than 1/10 of all voting rights, no less than 1/3 of all the directors or the audit committee may propose to convene an extraordinary board meeting. The chairperson shall convene and preside over the board meeting within 10 days upon receipt of the proposal.

Article 117 To convene an extraordinary board meeting, all the directors shall be notified by personal delivery, post, facsimile, e-mail or any other means provided for in these Articles of Association 3 days prior to the convening of the board meeting. If the situation is urgent and it is necessary to convene an extraordinary board meeting as soon as possible, notice of the meeting may be given at any time by telephone or other verbal means, provided that the convenor shall give an explanation at the meeting.

Article 118 A notice of board meeting shall set out the followings:

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

Article 119 Meetings of the board of directors may be held only if more than one half of the directors are present. A resolution of the board of directors must be passed by more than half of all directors.

Vote on board of directors resolution shall be carried out on the basis of one person one vote.

Article 120 A director who has a connected relationship with the enterprises or individuals involved in the matters to be resolved at the meeting of the board of directors shall promptly report it in writing to the board of directors. A connected director shall not exercise his/her voting rights for such matters, nor shall such director exercise voting rights on behalf of other directors. Such meeting of the board of directors may be held only if more than one half of the directors without a connected relationship are present, and the resolutions made at such a meeting of the board of directors shall be passed by more than one half of the directors without a connected relationship. If the number of non-connected directors present at such meeting is less than three, the matter shall be submitted to the shareholders' general meeting for consideration. If there are any additional restrictions on directors' participation in and voting at the meetings of the board of director in accordance with laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

Article 121 If a board meeting is convened on-site, the voting on resolution shall be conducted by a show of hands. Provided that all directors are fully able to express their views, a board meeting may be held and the respective resolutions may be made by facsimile or other communication means., in which case voting shall be conducted by written ballots. Each director shall have one vote.

Article 122 Directors shall attend board meetings in person. Where a director is unable to attend a meeting for any reason, he/she shall appoint another director in writing to attend the meeting on his/her behalf. The proxy letter shall state the name of the proxy, the relevant matters, the scope of authorization, the validity period and shall be signed by the appointer or a chop shall be affixed. A director attending a meeting on behalf of another director shall exercise the right of director within the scope of authorization. If a director does not attend the board meeting in person and also fails to appoint a proxy to attend the meeting, it shall be deemed as a waiver of his/her voting rights at such meeting.

Article 123 The board of directors shall keep minutes of its decisions on the matters discussed at the meeting. Directors attending the meeting, the secretary to the board and the record-keeping officer shall sign their names on the minutes of the meeting.

As the Company's files, the board meeting minutes shall be kept for a period of 10 years.

Article 124 The minutes of the board meeting shall include the following contents:

- (I) the date, venue and convener's name of the meeting;
- (II) names of directors present at the meeting and directors (proxies) present at such meeting on behalf of other directors;
- (III) agenda of the meeting;
- (IV) summary of points raised by directors;
- (V) manner and result of voting on each matter resolved (and the voting results shall set out the number of votes for, against or abstained a particular resolution).

Section 3 Independent Directors

Article 125 Independent directors shall diligently perform their duties in accordance with laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed and the requirements of relevant regulatory authorities and these Articles of Association, and shall play a role in participating in decision-making, exercising oversight and checks and balances, and providing professional advice within the board of directors, so as to safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Article 126 Independent directors must maintain independence. The following persons shall not serve as independent directors:

- (I) any person who holds a position in the Company or its affiliated enterprises, as well as their spouses, parents, children or principal social connections;
- (II) any individual shareholder who directly or indirectly holds 1% or more of the Company's issued shares, or is among the top ten shareholders of the Company, as well as their spouses, parents or children;
- (III) any person who holds a position in a shareholder that directly or indirectly holds 5% or more of the Company's issued shares or is among the top five shareholders of the Company, as well as their spouses, parents or children;
- (IV) any person who holds a position in an affiliated enterprise of the Company's controlling shareholders or de facto controllers, as well as their spouses, parents or children;
- (V) any person who has significant business dealings with the Company, its controlling shareholders or de facto controllers or their respective affiliated enterprises, or any person who holds a position in an entity having significant business dealings and its controlling shareholders or de facto controllers;
- (VI) any person providing financial, legal, advisory, sponsorship or other services to the Company, its controlling shareholders or de facto controllers or their respective affiliated enterprises, including but not limited to all project team members, reviewers at all levels, signatories on reports, partners, directors, senior management and key responsible persons of the intermediary institutions providing such services;
- (VII) any person who, within the last twelve months, has fallen within any of the circumstances listed in items (I) to (VI);
- (VIII) any other person who does not meet the independence requirements under laws, administrative regulations, the CSRC, the stock exchange and these Articles of Association.

The affiliated enterprises of the controlling shareholders or actual controllers of the Company as mentioned in sub-paragraph (IV) through (VI) of the preceding paragraph shall not include an enterprises controlled by the same state-owned assets management authority as the Company and not affiliated with the Company according to the relevant provisions.

Independent directors shall conduct a self-assessment of their independence each year and submit the results to the board of directors. The board of directors shall conduct an annual assessment of the independence of the incumbent independent directors and issue a specific opinion, which shall be disclosed together with the annual report.

Article 127 A person serving as an independent director of the Company shall meet the following requirements:

- (I) be qualified to serve as a director of a listed company under laws, administrative regulations and other relevant provisions;
- (II) meet the independence requirements stipulated in these Articles of Association;
- (III) possess basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations and rules;
- (IV) have more than five years of work experience in law, accounting, economics or other fields necessary to perform the duties of an independent director;
- (V) have good personal integrity and no material record of dishonesty or other misconduct;
- (VI) meet other requirements prescribed by laws, administrative regulations, the CSRC, the stock exchange, and these Articles of Association.

Article 128 As members of the board of directors, independent directors owe duties of fidelity and diligence to the Company and all shareholders, and shall prudently perform the following duties:

- (I) participate in board decision-making and express clear opinions on matters discussed;
- (II) oversee potential significant conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors, or members of senior management, and protect the legitimate rights and interests of minority shareholders;
- (III) provide professional and objective advice on the Company's operations and development to facilitate the improvement of the board's decision-making quality;
- (IV) perform other duties as prescribed by laws, administrative regulations, the CSRC, and these Articles of Association.

Article 129 Independent directors shall have the following special powers:

- (I) independently engage intermediary institutions to conduct audits, consultations or reviews on specific matters of the Company;
- (II) propose to the board of directors the convening of an extraordinary general meeting;

- (III) propose to convene a board meeting;
- (IV) lawfully solicit shareholders' rights from shareholders by public means;
- (V) express independent opinions on matters that may harm the interests of the Company or minority shareholders;
- (VI) exercise other powers as prescribed by laws, administrative regulations, the CSRC and these Articles of Association.

The exercise of the powers set out in items (I) to (III) of the preceding paragraph by the independent directors shall be subject to the approval of a majority of all independent directors.

When independent directors exercise powers listed in the first paragraph, the Company shall make timely disclosures. If such powers cannot be duly exercised, the Company shall disclose the specific circumstances and reasons.

Article 130 The following matters shall be submitted to the board of directors for consideration only after being approved by a majority of all independent directors of the Company:

- (I) related-party transactions that are required to be disclosed;
- (II) proposals for changing or waiving undertakings made by the Company and relevant parties;
- (III) decisions and measures taken by the board of directors of a listed company being acquired in response to the acquisition;
- (IV) other matters as prescribed by laws, administrative regulations, the CSRC, and these Articles of Association.

Article 131 The Company shall establish a mechanism for special meetings composed entirely of independent directors. Where the board of directors considered related-party transactions and other matters, prior consent shall be obtained through such special meetings of independent directors.

The Company shall convene special meetings of independent directors on a regular or ad hoc basis. The matters listed in items (I) to (III) under the first paragraph of Article 129 and in Article 130 shall be considered at such special meetings of independent directors.

Special meetings of independent directors may also, as needed, study and discuss other matters of the Company.

A convenor and chairperson for a special meeting of the independent directors shall be jointly elected by more than half of all independent directors. If the convenor fails or is unable to perform his/her duties, two or more independent directors may convene the meeting themselves and elect a representative to preside.

Minutes shall be prepared for special meetings of independent directors in accordance with the relevant requirements, and the opinions of independent directors shall be clearly recorded in the minutes. Independent directors shall sign to confirm the minutes.

The Company shall provide convenience and support for the convening of special meetings of independent directors.

Section 4 Special Committees under the Board of Directors

Article 132 The board of directors of the Company shall establish specialized committees such as the strategy committee, audit committee, nomination committee, remuneration and appraisal committee, and sustainable development committee. The specialized committees shall be composed entirely of directors, with independent directors constituting more than half of the audit committee, the nomination committee and the remuneration and appraisal committee, and an independent director shall serve as the convenors of these committees. The audit committee shall consist of three members, with two independent directors and at least one of the independent directors of the audit committee shall be an accounting professional, and the members of the audit committee shall be directors who do not hold senior management positions in companies, with the accounting professional among the independent directors serving as the convenor.

Article 133 The main duty of the strategy committee is to study and make recommendations on the Company's long-term development strategies and major investment decisions.

Article 134 The audit committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external auditing work and internal control. The following matters shall be submitted to the board of directors for deliberation upon the approval of more than half of all members of the audit committee:

- (I) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (II) employment or dismissal of accounting firms undertaking audits of listed companies;
- (III) appointment or dismissal of the head of finance of a listed company;
- (IV) changes in accounting policies and estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (V) other matters as prescribed by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 135 The Audit Committee shall convene a meeting at least once a quarter. Extraordinary meeting can be convened upon the proposal of two or more members, or when the convenor deems it necessary. Meeting of the audit committee shall be held with the attendance of at least two-thirds of the members.

Resolutions of the audit committee shall be passed by a majority of its members. Voting on resolutions of the audit committee shall be conducted on a one-person-one-vote basis. Minutes shall be prepared for resolutions of the audit committee in accordance with the relevant requirements, and members of the audit committee attending the meeting shall sign the minutes. The terms of reference of the audit committee shall be formulated by the board of directors.

Article 136 The nomination committee is responsible for formulating selection criteria and procedures for directors and members of the senior management, selecting and reviewing the candidates for directors and members of the senior management and their qualifications for appointment, and making recommendations to the board of directors on the following matters:

- (I) nomination or appointment or removal of directors;
- (II) appointment or dismissal of members of the senior management;
- (III) other matters as prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the board of directors does not adopt or does not fully adopt the recommendations of the nomination committee, it shall record the opinion of the nomination committee and the specific reasons for non-adoption in a resolution of the board of directors and disclose the same.

Article 137 The remuneration and appraisal committee is responsible for formulating appraisal standards for and conducting appraisals of the directors and members of the senior management, formulating and reviewing the remuneration policies and package for the directors and members of the senior management, and making recommendations to the board of directors on the following matters:

- (I) remuneration of directors and members of the senior management;
- (II) formulation or change of equity incentive plans, employee stock ownership plans, and fulfillment of conditions for the grant and exercise of rights and interests by incentive recipients;
- (III) arrangement of shareholding plans by directors and members of the senior management in subsidiaries proposed to be spun off;
- (IV) other matters as prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the board of directors does not adopt or does not fully adopt the recommendations of the remuneration and appraisal committee, it shall record the opinion of the remuneration and appraisal committee and the specific reasons for non-adoption in a resolution of the board of directors and disclose the same.

Article 138 The main duty of the sustainability committee is to study and make recommendations on major decisions relating to the Company's sustainability (including environmental, social and governance).

Article 139 Each special committee may engage an intermediary agency to provide professional advice at the expense of the Company.

Article 140 The specialized committees shall be accountable to the board of directors and their proposals shall be submitted to the board of directors for review and decision.

CHAPTER 6 MEMBERS OF THE SENIOR MANAGEMENT

Article 141 The Company has one president whom shall be appointed or dismissed by the board of directors.

Article 142 The circumstances of disqualification for directors and the departure management system prescribed in these Articles of Association shall be applicable to members of the senior management.

Provisions regarding the duties of fidelity of directors and the duties of diligence of directors shall be applicable to members of the senior management.

Article 143 Any person who takes an administrative role other than a director or a supervisor in the controlling shareholders of the Company shall not serve as a member of the senior management of the Company.

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

Article 144 The term of office of the president shall be three years, and may serve consecutive terms if re-appointed.

Article 145 The president shall be accountable to the board of directors and exercise the following functions and powers:

- (I) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the board of directors, and to report his/her work to the board of directors;
- (II) to organize the implementation of the Company's annual business plans and investment plans;
- (III) to draft plans for the establishment of the Company's internal management organizations;
- (IV) to draft the Company's basic management system;
- (V) to formulate the specific rules and regulations of the Company;
- (VI) to propose to the board of directors the appointment or dismissal of executive vice president, vice president, head of finance and other members of the senior management of the Company;

(VII) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the board of directors;

(VIII) such other functions and powers conferred by these Articles of Association or the board of directors. The president shall be present at the meetings of the board of directors.

Article 146 The president shall formulate working rules of the president, and shall be implemented after being approved by the board of directors.

Article 147 The president's working rules include the following contents:

(I) conditions, procedures and participants of the president's meeting;

(II) respective responsibilities and work allocation of the president and other members of the senior management of the Company;

(III) use of funds and assets of the Company, authority to enter into material contracts, and the system for reporting to the board of directors;

(IV) other matters which the board of directors deems necessary.

Article 148 The Company shall have an executive vice president, several of vice presidents and other members of the senior management, who shall be nominated by the president and appointed or dismissed by the board of directors.

The executive vice president, vice presidents and other members of the senior management shall be directly be accountable to the president, report to him/her in respect of their work and perform relevant duties in accordance with the internal management structure of the Company.

Article 149 The president, executive vice president, vice presidents and other members of the senior management may resign before expiry of their terms of office. The specific procedures and methods for the resignation shall be specified in the employment contracts concluded by the president, executive vice president, vice presidents, other members of the senior management and the Company.

Article 150 The Company shall have a secretary to the board of directors, whose responsibilities include preparing general meetings and board meetings of the Company, maintaining documents and managing shareholder information of the Company, and handling the information disclosure of the Company.

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

Article 151 If a member of the senior management causes damage to others in the performance of his/her duty, the Company shall bear liability for compensation. If the member of the senior management acts with intent or gross negligence, he/she shall also bear liability for compensation. Any members of the senior management who violate the relevant laws, administrative regulations, departmental rules or these Articles of Association in performing his/her duties in the Company shall indemnify the Company for the losses arising therefrom.

Article 152 The members of the senior management of the Company shall faithfully perform their duties, and safeguard the best interests of the Company and all shareholders. Any members of the senior management of the Company who fail to faithfully perform his/her duties or breach their duties of fidelity shall indemnify the Company and the public shareholders for the damages arising therefrom according to law.

CHAPTER 7 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

Section 1 Financial and Accounting System

Article 153 The Company shall establish the financial and accounting system according to laws, administrative regulations and the provisions of relevant departments of the state.

Article 154 The Company shall submit and/or disclose its annual report to the securities regulatory authorities of the places where the Company's shares are listed within 4 months from the ending date of each accounting year, and submit and/or disclose its interim report to the securities regulatory authorities of the places where the Company's shares are listed within 2 months from the ending date of the first half of each accounting year.

The aforesaid annual report and interim report shall be prepared in accordance with relevant laws, administrative regulations and the securities regulatory rules of the places where the Company's shares are listed.

Article 155 The Company shall not keep separate books of accounts apart from its statutory books of account. The funds of the Company shall not be deposited into any account opened in the name of any individual.

Article 156 Where the Company distributes its profits after tax for the current year, it shall allocate 10% of the profits after tax as the Company's statutory reserve fund, provided that no allocation is required if the accumulated statutory reserve fund represents no less than 50% of the registered capital of the Company.

Where the statutory reserve fund of the Company is not sufficient to cover the Company's loss from the previous year, the profits for the current year shall be used to cover such loss before allocation is made to the statutory reserve fund pursuant to the previous paragraph.

After allocation to the statutory reserve fund has been made from the profits after tax, the Company may allocate discretionary reserve fund from the profits after tax upon approval by the general meeting.

Upon making up for the losses incurred and allocating to the statutory reserve fund, the balance of the profits after tax shall be distributed to the shareholders in proportion to their respective shareholdings, save for distribution which is not made in proportion to shareholdings as specified in these Articles of Association.

Where the shareholders' general meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profit so distributed in breach of the said provisions to the Company; if losses are caused to the Company, the shareholders and the directors and members of the senior management who are responsible shall bear liability for compensation.

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

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

Article 157 The Company's reserve funds shall be used to make up for the losses of the Company, to expand the scale of production and operation of the Company or to enlarge the Company's registered capital.

To cover the Company's losses from the reserve fund, the discretionary reserve fund and statutory reserve fund shall be used first. If the losses remain, the capital reserve fund may be used according to the regulations.

When the statutory reserve fund is converted into the increased registered capital, the balance of such reserve shall not be less than 25% of the Company's registered capital prior to the conversion.

Article 158 The profit distribution particulars

- (I) The Company implements a proactive profit distribution policy. The profit distribution policy shall emphasize on reasonable investment returns to investors while taking into account the sustainable development of the Company; the Company may conduct interim profit distribution; the Company's profit distribution policy shall maintain continuity and stability.
- (II) The Company may distribute dividends in the form of cash, stock, a combination of cash and stock or other methods permitted by laws, regulations and the securities regulatory rules of the places where the Company's shares are listed. The Company's profit distribution shall not exceed the scope of the accumulated distributable profits and shall not impair the Company's ability to continue as a going concern.
- (III) Among the profit distribution methods, the Company prioritizes cash dividends over stock dividends.
 1. The profit distributed by the Company annually in the form of cash shall not be less than 20% of the distributable profits realized in that year;
 2. For each profit distribution, cash dividends shall account for a minimum of 40% of that profit distribution;
 3. When the Company meets the conditions for cash dividend distribution, it shall adopt cash dividends for profit distribution. If the Company adopts stock dividends for profit distribution, it shall contain real and reasonable factors such as the growth potential of the Company and the dilution of net assets per share.

(IV) The intervals of profit distribution

1. The Company shall distribute profits at least once a year, provided that the Company makes a profit for the year and the accumulated undistributed profits are positive.
2. The Company may make interim cash dividends. The board of directors may recommend the Company to make interim dividend distribution based on the Company's profit scale, cash flow position, development stage and capital requirement of the period.

(V) Conditions for profit distribution

1. Specific conditions for cash dividend distribution

Under the premise of ensuring the Company's sustainable operation and long-term development, if the Company is profitable for the year and the accumulated undistributed profits are positive, and if the Company does not have any major investment plan or significant capital expenditure (except for fund-raising investment projects), the Company shall distribute dividends in the form of cash. The profits distributed by the Company annually in the form of cash shall not be less than 20% of the distributable profits realized in that year, and the specific dividend distribution ratio for each year shall be proposed by the board of directors based on the Company's annual profitability and future capital utilization plan.

2. Specific conditions for stock dividend distribution

When the Company's operating conditions and growth are good, and the board of directors is of the opinion that the Company's earnings per share, stock price, net assets per share, etc. are not in line with the Company's capital scale, the Company may simultaneously distribute profits by stock dividends under the premise of satisfying the above-mentioned cash dividend distribution ratio. In determining the specific amount of profits to be distributed in the form of stocks, the Company should fully consider whether the total share capital after the distribution of stock dividends aligns with the Company's current business scale, profit growth rate, dilution of net assets per share, etc., and also consider the impact on future debt financing costs, so as to ensure that the profit distribution plan is in line with the overall and long-term interests of all shareholders.

- (VI) In the event of misappropriation of the Company's funds by a shareholder, the Company shall deduct the funds misappropriated from the cash dividends to be distributed to that shareholder as compensation.

(VII) The adjustment of the profit distribution policy

1. If the Company needs to adjust its profit distribution policy due to material changes in the external business environment or its own operating conditions, the adjusted profit distribution policy shall not violate the relevant provisions of the CSRC and the Stock Exchange. The above-mentioned “material changes in the external business environment or its own operating conditions” refer to any of the following situations:
 - (1) There are significant changes in relevant laws, administrative regulations, policies, rules or the international and domestic economic environment, which lead to operating losses for reasons not attributable to the Company itself;
 - (2) Unforeseeable, unavoidable and insurmountable force majeure events such as earthquakes, mudslides, typhoons, tornadoes, floods, wars, strikes, social unrest, etc. occur, which have a significant adverse impact on the Company’s production and operation, resulting in operating losses for the Company;
 - (3) After the Company’s statutory reserve fund has made up for the losses of previous years, the net profit realized by the Company in the current year is still insufficient to make up for the losses of previous years;
 - (4) The net cash flow from the Company’s operating activities is less than 20% of the distributable profits realized in the current year for three consecutive years;
 - (5) Other circumstances as prescribed by the laws, administrative regulations and departmental rules, or the provisions of the CSRC or the Stock Exchange exist.
2. In the process of the board of directors of the Company studying and justifying the adjustment of the profit distribution policy, the Company may communicate and exchange information with the minority shareholders by means of telephone, facsimile, letter, e-mail, the interactive platform of investor relations on the Company’s website, etc., to fully listen to the opinions and demands of minority shareholders and provide timely responses to their concerns.
3. Any adjustment or modification to the profit distribution policy as provided in these Articles of Association shall be considered and approved by the board of directors before it is submitted to the shareholders’ general meeting for consideration. The Company shall prioritize the protection of shareholders’ rights and interests and provide detailed justifications and reasons for any adjustment or modification to the profit distribution policy in the proposal for the shareholders’ general meeting. Such adjustment or modification shall be approved by more than two-thirds of the votes held by the shareholders (including proxies) present the shareholders’ general meeting.

(VIII) Explanations of the implementation of the profit distribution policy in the annual report

The Company shall disclose in the annual report the formulation and implementation of the cash dividend distribution policy, and provide a special explanation on the following particulars:

1. Whether the policy compiles with the provisions of these Articles of Association or the resolution of the shareholders' general meeting;
2. Whether the dividend standards and ratios are clear and explicit;
3. Whether the relevant decision-making procedures and mechanism are complete;
4. Disclosure of specific reasons and the measures to be taken to enhance the level of investor returns if the Company does not declare cash dividends;
5. Whether the minority shareholders have adequate opportunities to express their opinions and demands, and whether their legitimate rights and interests have been fully protected.

If the Company makes any adjustment or modification to its cash dividend policy, it shall also provide a detailed explanation of whether the conditions and procedures for such adjustment or modification are compliant and transparent.

Article 159 Study and justification procedures, decision-making mechanism, and deliberation procedures of the profit distribution plan

(I) Study and justification procedures and decision-making mechanism of the profit distribution plan

1. Prior to the publication of the periodic report, the management and the board of directors of the Company shall study and justify the profit distribution proposal under the premise of fully considering the Company's ability to continue as a going concern, securing capitals required for normal production and operation as well as business development, and emphasizing a reasonable return on investment for the investors. The board of directors shall carefully study and justify the timing, conditions and minimum proportion of cash dividends, the conditions for adjustment, the requirements of its decision-making procedure etc.
2. When formulating specific profit distribution proposal, the board of directors of the Company shall abide by the profit distribution policies prescribed in the relevant laws, administrative regulations, departmental rules, normative documents of the PRC, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association.
3. After the board of directors of the Company has considered and approved the profit distribution proposal and announced it in the periodic report, it shall be submitted to the shareholders' general meeting for consideration; when the shareholders' general meeting considers the profit distribution plan, the Company shall provide online voting and other methods to facilitate the shareholders' participation in the voting at the shareholders' general meeting.

When the annual general meeting of the Company is convened to consider the annual profit distribution plan, the Company may consider and approve the conditions, upper limits of proportion and maximum amount for the interim cash dividend of the following year. The upper limit of the interim dividend of the following year considered at the annual general meeting shall not exceed the net profit attributable to the shareholders of the Company for the corresponding period. The board of directors shall formulate a specific interim dividend distribution proposal in accordance with the resolutions of the shareholders' general meeting and subject to the conditions for profit distribution.

4. If the undistributed profits at the end of the year in the consolidated balance sheet of the Company and the balance sheet of the parent company are both positive and the Company is profitable during the reporting period, and if no cash dividends are distributed or if the total amount of cash dividends distributed is lower than 30% of the net profit for the year, the Company shall disclose the following along with the profit distribution plan:
 - (1) explanation of reasons for not distributing cash dividends or for the low level of cash dividends, taking into account the industry-specific characteristics, development stage, its own business model, profitability, solvency, capital requirement and other factors;
 - (2) the intended use and expected earnings of the retained undistributed profits;
 - (3) whether the Company has provided convenience for the minority shareholders to participate in the cash dividend decision-making during the corresponding period in accordance with the relevant regulations of the CSRC;
 - (4) measures the Company intends to take to enhance investor returns.

If the undistributed profits in the balance sheet of the parent company are negative but the undistributed profits in the consolidated balance sheet are positive, the Company shall disclose in the profit distribution-related announcements the implementation situation of profit distribution from the listed company's controlled subsidiaries to the parent company, and the measures the Company intends to take to enhance the investor returns.

5. During the decision-making and justification process of the profit distribution plan by the board of directors of the Company, and before the specific cash dividend plan is considered at the shareholders' general meeting of the Company, the Company may communicate and exchange information with the minority shareholders by means of telephone, facsimile, letter, e-mail, or the interactive platform of investor relations on the Company's website, etc., to fully listen to their opinions and demands and provide timely responses to their concerns.

Independent directors are entitled to express their independent opinions if they are in the opinions that the specific cash dividend plan may harm the interests of the listed company or minority shareholders. Where the board of directors has not adopted, or not entirely adopted, the opinions of the independent directors, the board shall record and disclose the opinions of the independent directors and the specific reasons for the non-adoption in the resolution of the board of directors.

6. When the Company convenes a shareholders' general meeting, the shareholders who individually or collectively hold more than 1% of the shares of the Company shall be entitled to propose an interim proposal regarding the profit distribution plan to the shareholders' general meeting in accordance with the Company Law, Procedural Rules for General Meeting of Listed Companies and these Articles of Association.

(II) Procedures for the deliberation of the profit distribution plan

1. The Company's board of directors shall consider and approve the profit distribution proposal before submitting it to the shareholders' general meeting for consideration. The board of directors must obtain the approval of more than half of all directors when considering the profit distribution proposal.
2. When the shareholders' general meeting considers the profit distribution plan, it shall be approved by more than half of the voting rights held by the shareholders (including proxies) present at the shareholders' general meeting. If the shareholders' general meeting considers the plans for distribution of stock dividends or conversion of reserve fund to share capital, such plan shall be approved by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the shareholders' general meeting.
3. After the shareholders' general meeting approves the profit distribution plan, or after the board of directors formulates a specific plan based on the conditions and upper limit of the interim dividend distribution of the following year considered and approved by the shareholders' general meeting, the distribution of dividends (or shares) shall be completed within two months.

Section 2 Internal Auditing

Article 160 The Company implements an internal audit system, which shall specify the leadership structure, responsibilities and authorities, staffing, funding safeguards, utilization of audit results, and accountability mechanisms for internal audit work. The internal audit system of the Company shall be implemented upon approval by the board of directors and shall be disclosed externally.

Article 161 The internal audit department of the Company shall supervise and inspect the Company's business activities, risk management, internal controls and financial information.

The internal audit department shall maintain its independence, be staffed with dedicated audit personnel, and shall not be placed under the leadership of the finance department or share offices with the finance department.

Article 162 The internal audit department shall be accountable to the board of directors.

In the course of supervising and inspecting the Company's business activities, risk management, internal controls and financial information, the internal audit department shall be subject to the supervision and guidance of the audit committee. If the internal audit department discovers any significant issues or leads, it shall immediately report directly to the audit committee.

Article 163 The internal audit department shall be responsible for the specific organization and implementation of the internal control evaluation of the Company. Based on the evaluation report and related materials issued by the internal audit department and reviewed by the audit committee, the Company shall issue the annual internal control evaluation report.

Article 164 When the audit committee communicates with external audit institutions such as accounting firms or national audit institutions, the internal audit department shall actively cooperate and provide necessary support and assistance.

Article 165 The audit committee shall participate in the performance appraisal of the head of the internal audit department.

Section 3 Appointment of Accounting Firm

Article 166 The Company shall engage an accounting firm which satisfies the requirements of the Securities Law to audit the financial statements, verify the values of net assets, and conduct other related consultancy services. The term of appointment is 1 year and may be renewed.

Article 167 The engagement and dismissal of an accounting firm by the Company shall be submitted to the board of directors for consideration after approval by more than half of all members of the audit committee, and decided by a shareholders' general meeting. No accounting firm shall be appointed by the board of directors prior to the decision of the shareholders' general meeting.

Article 168 The Company guarantees to provide true and complete vouchers, books, financial and accounting reports and other accounting materials to the accounting firm engaged and shall not refuse to provide or conceal or give false information.

Article 169 The auditing fee of the accounting firm shall be decided by the shareholders' general meeting.

Article 170 If the Company removes or does not re-appoint an accounting firm, it shall notify the accounting firm 30 days in advance. The accounting firm shall be allowed to state its opinion at the time when the shareholders' general meeting is voting for removal or not re-appointment of the accounting firm.

An accounting firm tendering resignation shall inform the shareholders' general meeting as to whether there is any irregularity on the part of the Company.

CHAPTER 8 NOTICE AND ANNOUNCEMENT

Section 1 Notice

Article 171 The notice of the Company shall be issued in the following forms:

- (I) by hand;
- (II) by post, facsimile or e-mail;
- (III) by announcement;
- (IV) other forms as stipulated in these Articles of Association.

Article 172 Notice issued by the Company by way of announcement shall, upon announcement, be deemed to have been received by all persons concerned.

The "announcement" as used in these Articles of Association, unless the context otherwise requires, in relation to announcements made to holders of A Shares or announcements made within the territory of the PRC as required by the relevant regulations and these Articles of Association, refers to the publication of information on the website of the SZSE and in media that meet the conditions prescribed by the CSRC; in relation to announcements made to holders of H Shares or announcements made in Hong Kong as required by the relevant regulations and these Articles of Association, such announcements shall be published on the Company's website, the website of the Hong Kong Stock Exchange and other websites as may be required from time to time under the Hong Kong Listing Rules in accordance with the relevant requirements of the Hong Kong Listing Rules.

Under the premise of the Company's compliance with the securities regulatory rules of the place(s) in which the shares of the Company are listed, regarding the provision and/or distribution by the Company of corporate communication to holders of H Shares in accordance with requirements of the listing rules of the place(s) in which the shares of the Company are listed, the Company may also send or provide corporate communications to its holders of H Shares electronically or by way of publication on the Company's website or the website of the stock exchange of the place in which the shares of the Company, as an alternative to delivering corporate communications to holders of H Shares by hand or postage prepaid mail.

Article 173 Notice of convening the shareholders' general meeting of the Company shall be made by way of announcements.

Article 174 Notice of convening the meeting of the board of directors of the Company shall be sent by hand, post, facsimile, e-mail or other forms as stipulated in these Articles of Association.

Article 175 Where a notice of the Company is served by hand, the addressee shall be required to sign his/her name (or affix his/her chop) on the receipt, and the signing date of the receipt shall be the date of service; where a notice of the Company is sent by post, such notice is deemed served 3 working days after it is deposited at the post office. Notice of the Company given by fax or e-mail will be deemed served on the next day of the transmission date. For any notices issued by the Company by way of announcement, the date of first publication shall be the date of service.

Article 176 The validity of a meeting and the resolutions passed thereat shall not be invalidated solely by reason of 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.

Section 2 Announcement

Article 177 The Company designates the *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Securities Daily* and the website of CHINFO (www.cninfo.com.cn) as the media for publishing the Company's announcements and other information that needs to be disclosed (including the HKEX news website (www.hkexnews.hk)).

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

Section 1 Merger, Division, Increase of Registered Capital and Reduction of Registered Capital

Article 178 In the case of merger, the Company may take the form of merger by absorption or merger by new establishment.

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

Article 179 If the consideration for a merger does not exceed 10% of the Company's net assets, it may be approved without a resolution of the shareholders' general meeting, except as otherwise provided in these Articles of Association.

If the Company proceeds with a merger without a resolution of the shareholders' general meeting in accordance with the preceding paragraph, it shall be approved by a resolution of the board of directors.

Article 180 In a merger of companies, the parties of the merger shall execute a merger agreement and prepare the balance sheet and property list. The Company shall notify their creditors within 10 days of the date on which the merger resolution is adopted, and shall publish an announcement in media that meet the conditions prescribed by the CSRC and on the HKEX news website (www.hkexnews.hk) or the National Enterprise Credit Information Publicity System within 30 days. Creditors shall be entitled to claim full repayment of all debts owned by the Company or require that respective guarantees to be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

Article 181 To carry out a merger, the credits and debts of the companies involved shall be succeeded or assumed by the company that survives the merger or by the newly established company.

Article 182 If the Company is to be divided, its assets shall be divided accordingly.

In a division of the Company, a balance sheet and a property list shall be prepared. The Company shall notify its creditors within 10 days of the date on which the division resolution is adopted, and shall publish an announcement in media that meet the conditions prescribed by the CSRC and on the HKEX news website (www.hkexnews.hk) or the National Enterprise Credit Information Publicity System within 30 days.

Article 183 The post-division companies shall bear several and joint liabilities for the debts of the Company before the division unless it is otherwise prescribed in a written agreement reached by the Company and the creditors before the division regarding the pay-off of debts.

Article 184 Where the Company reduces its registered capital, it shall prepare a balance sheet and property list.

The Company shall, within 10 days after the resolution of reducing its registered capital is adopted by the shareholders' general meeting, notify its creditors and make a public announcement in media that meet the conditions prescribed by the CSRC and on the HKEX news website (www.hkexnews.hk) or the National Enterprise Credit Information Publicity System within 30 days. The creditors shall, within 30 days after receiving the notice or within 45 days after the issuance of the public announcement if they fail to receive the notice, be entitled to demand the Company to pay off the debts or to provide respective guarantees.

Where the Company reduces its registered capital, it shall reduce the capital contributions or shares proportionately according to their shareholding, except as otherwise provided by law or these Articles of Association.

Article 185 Where, after covering losses in accordance with the second paragraph of Article 157 of these Articles of Association, there remains a deficit, the Company may reduce its registered capital to cover the remaining losses. When reducing registered capital to cover losses, the Company shall not make any distribution to shareholders, nor shall it exempt shareholders from their obligation to pay capital contributions or share subscription amounts.

Where the registered capital is reduced in accordance with the preceding paragraph, the provisions of the second paragraph of Article 184 of these Articles of Association shall not apply; however, the Company shall, within 30 days from the date on which the resolution to reduce the registered capital is passed by the shareholders' general meeting, make an announcement in media meeting the requirements of the CSRC or through the National Enterprise Credit Information Publicity System

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

Article 186 Where the registered capital is reduced in violation of the Company laws and other relevant provisions, shareholders shall return any funds they have received, and any reduction or exemption of shareholders' capital contribution shall be reinstated. If losses are caused to the Company, the shareholders and the directors and members of the senior management who are responsible shall bear liability for compensation.

Article 187 When the Company issues new shares to increase its registered capital, shareholders shall not have pre-emptive rights, except as otherwise provided in these Articles of Association or if a resolution is passed at the shareholders' general meeting granting shareholders such pre-emptive rights.

Article 188 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall be deregistered in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

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

Section 2 Dissolution and Liquidation

Article 189 The Company shall be dissolved under any of the following circumstances.

- (I) the term of business operation expires as specified by these Articles of Association or other matters leading to dissolution occur as specified by these Articles of Association;
- (II) the general meeting resolves to dissolve the Company;
- (III) dissolution is necessary as a result of the merger or division of the Company;
- (IV) the Company's business license is revoked or it is ordered to close down or it is deregistered according to laws;
- (V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of voting rights of the Company may petition a people's court to dissolve the Company.

If dissolution causes stipulated in the preceding paragraph occur, the Company shall publicize the dissolution causes through the National Enterprise Credit Information Publicity System within ten days.

Article 190 Where any of the circumstances as prescribed in Article 189 (I) and (II) of these Articles of Association occurs, and assets have not yet been distributed to shareholders, the Company may continue to exist by amending these Articles of Association or by a resolution made at the shareholders' general meeting.

The amendment to these Articles of Association or resolution made at the shareholders' general meeting pursuant to the previous paragraph shall be passed by no less than 2/3 of voting rights held by shareholders present at the shareholders' general meeting.

Article 191 Where the Company is dissolved according to the provisions of sub-paragraphs (I), (II), (IV) and (V) of Article 189 of these Articles of Association, the Company shall be liquidated. Directors shall be the obligors of the liquidation, and shall establish a liquidation committee to conduct liquidation within 15 days from the date on which the cause for dissolution arose. The liquidation committee shall consist of directors, except where otherwise provided in these Articles of Association or a different person is selected by the resolution at the shareholders' general meeting. Where a liquidation obligor fails to perform its liquidation duties in a timely manner and thereby causes losses to the Company or its creditors, it shall be liable for compensation.

Article 192 The liquidation committee may exercise the following functions during the process of liquidation:

- (I) to liquidate the properties of the Company and prepare a balance sheet and a property list;
- (II) to notify creditors by sending notice or by making announcement;
- (III) to deal with and settle the Company's outstanding business in relation to the liquidation;
- (IV) to pay off the outstanding taxes and the taxes incurred in the process of liquidation;
- (V) to claim credits and pay off debts;
- (VI) to allocate the remaining properties after all the debts being paid off;
- (VII) to represent the Company in any civil proceedings.

Article 193 The liquidation committee shall notify the creditors within 10 days of its establishment, and make an announcement in media that meet the conditions prescribed by the CSRC and on the HKEX news website (www.hkexnews.hk) or the National Enterprise Credit Information Publicity System within 60 days of its establishment. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement.

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

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

Article 194 After the liquidation committee has liquidated the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the general meeting or the people's court for confirmation.

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

During liquidation, the Company shall continue to exist but shall not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

Article 195 If the liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court for a bankruptcy liquidation in accordance with the law.

After the people's court accepts the application for bankruptcy, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator appointed by the people's court.

Article 196 Following the completion of liquidation of the Company, the liquidation committee shall formulate a liquidation report, submit the same to the general meeting or the people's court for confirmation, and submit the aforementioned documents to the company registration authority to apply for company deregistration.

Article 197 The members of the liquidation committee shall perform their liquidation duties with dutie of fidelity and diligence.

Where a member of the liquidation committee fails to perform his/her liquidation duties, causing losses to the Company, he/she shall bear liability for compensation; if losses are caused to creditors due to intent or gross negligence, he/she shall also bear liability for compensation.

Article 198 Where the Company is declared bankrupt in accordance with the law, it shall carry out a bankruptcy liquidation according to the laws concerning bankruptcy of enterprises.

CHAPTER 10 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 199 In any of the following circumstances, the Company shall amend the Articles of Association:

- (I) after Company Law or relevant laws and administrative regulations or the securities regulatory rules of the place where the shares of the Company are listed have been amended, the matters stipulated in the Articles of Association are in conflict with the provisions of the revised laws and administrative regulations or the securities regulatory rules of the place where the shares of the Company are listed;
- (II) the circumstances of the Company have changed, which are inconsistent with the matters recorded in the Articles of Association;
- (III) a general meeting decides to amend the Articles of Association.

Article 200 Amendments to the Articles of Association approved by a resolution of the shareholders' general meeting which are subject to approval from relevant competent authority shall be submitted to the competent authority for approval. If an amendment to the Articles of Association involves registered particulars of the Company, registration of the change shall be carried out in accordance with the law.

Article 201 The board of directors shall amend these Articles of Association in accordance with the resolution of the shareholders' general meeting regarding amendments to the Articles of Association and the comments of the relevant competent authorities.

Article 202 Where amendments to the Articles of Association are required to be disclosed by laws, regulations and the securities regulatory rules of the place where the shares of the Company are listed, the Company shall make public announcement in accordance with the provisions.

CHAPTER 11 SUPPLEMENTARY PROVISIONS

Article 203 Definitions

- (I) “Controlling shareholder” refers to a shareholder whose shareholdings accounts for more than 50% of the total share capital of a joint stock limited company; or whose shareholding accounts for not more than 50% of the total share capital but whose voting rights are sufficient to have a material impact on resolutions of the shareholders’ general meeting, or a controlling shareholder as defined in the securities regulatory rules of the place where the shares of the Company are listed.
- (II) “De facto controller” refers to a natural person, legal person or other organization that is able to hold actual control of the acts of the Company by means of investment relations, agreements or any other arrangements.
- (III) “Related relationship” refers to the relationship between the controlling shareholders, de facto controllers, directors, or members of the senior management of the Company and the enterprise directly or indirectly controlled thereby and any other relationship that may lead to the transfer of any interest of the Company, which also includes the connected relationship as defined in the Hong Kong Listing Rules. Where applicable, the term “related-party transaction” in these Articles of Association includes “connected transaction” as defined in the Hong Kong Listing Rules, and the term “related party” includes “connected person” as defined in the Hong Kong Listing Rules.
- (IV) “Accounting firm” also refers to the “auditor” in the Hong Kong Listing Rules.

Article 204 The Articles of Association are written in Chinese. In case of any discrepancy between the Articles of Association in any other languages or in different versions, the Chinese version of the Articles of Association after the latest approval and registration with Henan Administration for Market Regulation shall prevail.

Article 205 In these Articles of Association, the terms “or more” and “within” include the given figure; the terms “over”, “less than”, “exclusive”, “lower than”, “more than”, and “exceeding” do not include the given figure.

Article 206 The board of directors of the Company shall be responsible for the interpretation of these Articles of Association.

Article 207 The appendix to these Articles of Association includes the rules of procedures of shareholders’ general meetings and the rules of procedures of the board of directors. In the event that the Articles of Association are inconsistent with laws, administrative regulations, normative documents and the securities regulatory rules of the place where the shares of the Company are listed, the laws, administrative regulations, normative documents and the provisions of the securities regulatory rules of the place where the shares of the Company are listed shall prevail.

Article 208 After being approved by the shareholders’ general meeting, these Articles of Association shall take effect and implement from the date on which the H Shares issued by the Company commence listing on the Hong Kong Stock Exchange.

Muyuan Foods Group Co., Ltd.