

**Guangdong Tianyu Semiconductor Co., Ltd.**

**Articles of Association**

May 19, 2026

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## CHAPTER 1 GENERAL PROVISIONS

**Article 1** To safeguard the legal interests of Guangdong Tianyu Semiconductor Co., Ltd. (hereinafter referred to as the “Company”) and its shareholders and creditors and to regulate the organization and conduct of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as “Securities Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (hereinafter referred to as “Administrative Measures of Overseas Offering and Listing”), the Accounting Law of the People’s Republic of China (hereinafter referred to as “Accounting Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”), and other laws, regulations, departmental rules, regulatory documents and relevant regulations of the securities regulatory authority in the place where the Company’s shares are listed.

**Article 2** The Company is a joint stock limited company lawfully established through an overall conversion from Dongguan Tianyu Semiconductor Technology Co., Ltd.\* (東莞市天域半導體科技有限公司) according to the Company Law and other relevant laws, administrative regulations, departmental rules, regulatory documents and regulations of the regulatory authorities of the People’s Republic of China (hereinafter referred to as the “PRC”, and for the purpose of these Articles of Association, excluding Hong Kong Special Administrative Region (“Hong Kong”), Macau Special Administrative Region (“Macau”) and the Taiwan region).

The Company was filed with China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) on 12 June 2025, and initially issued 30,070,500 overseas-listed shares (hereinafter referred to as “H Shares”). H Shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Stock Exchange”) on 5 December 2025.

### **Article 3** Company name

Chinese name: 廣東天域半導體股份有限公司

English name: Guangdong Tianyu Semiconductor Co., Ltd.

**Article 4** Domicile of the Company: No. 5 Industrial North First Road, Songshan Lake Zone, Dongguan, Guangdong Province.

**Article 5** Prior to the Initial Public Offering of H Shares, the registered capital of the Company is RMB363,198,011. Upon completion of the Initial Public Offering of H Shares, the registered capital of the Company will be RMB393,268,511 if the over-allotment option is not exercised, and RMB397,779,061 if the over-allotment option is exercised in full.

After the completion of the Initial Public Offering of H Shares, if the over-allotment option is not exercised, the share capital of the Company consists of 393,268,511 ordinary shares, comprising 58,990,426 H Shares (accounting for approximately 15.00% of the total number of the ordinary shares of the Company) and 334,278,085 non-listed shares (accounting for approximately 85.00% of the total number of the ordinary shares of the Company). If the over-allotment option is exercised in full, the share capital of the Company consists of 397,779,061 ordinary shares, comprising 63,500,976 H Shares (accounting for 15.96% of the total number of the ordinary shares of the Company) and 334,278,085 non-listed shares (accounting for approximately 84.04% of the total number of the ordinary shares of the Company).

**Article 6** The Company is a joint stock company with perpetual existence.

**Article 7** The chairman is the legal representative of the Company.

**Article 8** All assets of the Company shall be divided into equal shares. The shareholders shall be liable to the Company to the extent of the shares they have subscribed. The Company shall be liable for its debts to the extent of all its assets.

**Article 9** These Articles of Association shall become a legally binding document governing the organization and conduct of the Company, and the rights and obligations between the Company and its shareholders and among shareholders and a document legally binding upon the Company, shareholders, directors, senior management since the effective date. The aforesaid personnel may assert their rights on matters of the Company in accordance with these Articles of Association. According to these Articles of Association, shareholders may bring actions against other shareholders, directors, general manager and other senior management of the Company and the Company. The Company may bring actions against shareholders, directors, general manager and other senior management.

**Article 10** Other senior management as used herein refers to the deputy general manager, the chief financial officer and secretary to the Board of the Company. In accordance with the requirements of the Constitution of the Communist Party of China, the Company shall establish an organization of the Communist Party of China to carry out Party activities. The Company shall provide necessary conditions for the activities of the Party organization.

**Article 11** To the extent permitted by laws, regulations and the Hong Kong Listing Rules, the Company may invest in other limited liability companies, joint stock limited companies or other enterprises, and the Company's liabilities to an invested entity shall be limited to the amount of its capital contribution to such invested company. Unless otherwise provided by law, the Company shall not become a capital contributor that assumes joint and several liabilities for the debts of the enterprises it invests in.

## CHAPTER 2 PURPOSES AND SCOPE OF BUSINESS

**Article 12** The business purpose of the Company is to create value for customers, create opportunities for employees, and generate benefits for society; be committed to fully implementing modern enterprise management culture, adhering to the people-oriented principle, pursuing high standards and high efficiency, and building a learning organization; be customer-centric and integrity-oriented to meet customer needs, exceed customer expectations, enable customer success, and create value; be market-oriented, pioneering and innovative, maintaining sustained focus, expanding operational advantages, achieving win-win cooperation, steady and sustainable growth, scientific management, and growing together with employees.

**Article 13** The Company's business scope, as lawfully registered, includes general items comprising research and development of electronic specialty materials, manufacturing of electronic specialty materials, sales of electronic specialty materials, manufacturing of semiconductor discrete devices, sales of semiconductor discrete devices, sales of machinery and equipment, technical services, technical development, technical consulting, technical exchanges, technology transfer, and technology promotion, import and export of technologies and import and export of goods. (Except for items that require approval according to law, the Company carries out business activities independently based on the business license and in accordance with the law.)

The business scope mentioned in the preceding paragraph shall be subject to the contents registered with the competent company registration authorities.

## CHAPTER 3 SHARES AND REGISTERED CAPITAL

### Section 1 Issuance of Shares

**Article 14** The shares of the Company shall be in the form of registered share certificates.

**Article 15** Shares of the Company shall be issued in an open, fair and impartial manner. Shares of the same class shall rank *pari passu* with each other. For the same class of shares issued in the same tranche, each share shall be issued under the same conditions and at the same price. Any entity or individual subscribing for shares shall pay the same price for each share.

The shares issued by the Company to domestic investors for subscription in RMB shall be referred to as domestic shares. The shares issued by the Company to overseas investors for subscription in foreign currencies shall be referred to as foreign shares. The foreign shares listed overseas shall be referred to as overseas-listed foreign shares. Ordinary shares issued by the Company and listed on the Hong Kong Stock Exchange shall be referred to as H Shares. Ordinary shares issued by the Company that are not listed on any stock exchange shall be referred to as unlisted shares. Holders of unlisted shares and holders of H Shares are both ordinary shareholders.

H Shares and unlisted shares issued by the Company shall have the same right in any distribution whether by way of dividend or others. The Company shall not exercise any right to freeze or otherwise impair the rights attached to any shares of any person who is directly or indirectly interested therein simply on the ground that such person has not disclosed his/her interests to the Company.

**Article 16** All shares issued by the Company shall have par values, with each share having a par value of RMB1 and denominated in RMB.

The Company shall have ordinary shares at all times. Subject to approval of the department authorized by the State Council, the Company may create other classes of shares when necessary.

**Article 17** After filing with the securities regulatory authorities of the State Council and completion of the mandatory procedures stipulated by other relevant laws, regulations and normative documents, the Company may issue shares to domestic investors and overseas investors.

For the purpose of the preceding paragraph, overseas investors shall refer to investors from foreign countries or Hong Kong, Macau and Taiwan who subscribe for shares issued by the Company; domestic investors shall refer to investors within the territory of China excluding the above-mentioned regions who subscribe for shares issued by the Company.

**Article 18** Upon overseas offering and listing of the Company's shares, the shareholders of the Company may have their unlisted shares listed and traded on an overseas stock exchange to the extent permitted by relevant laws, administrative regulations and departmental rules, subject to filing with the securities regulatory authorities of the State Council and other relevant regulatory authorities. Listing and trading of such shares on an overseas stock exchange shall also comply with the regulatory procedures, provisions and requirements of the relevant overseas securities market.

The H Shares issued by the Company are mainly deposited with the custodian companies subordinate to Hong Kong Securities Clearing Company Limited. The unlisted shares issued by the Company shall be centrally registered with and held in the custody of China Securities Depository and Clearing Corporation Limited.

**Article 19** The Company is a joint stock limited company established by 28 promoters by way of overall conversion. The promoters of the Company, the number of shares subscribed for and the method of capital contribution are as follows:

No.	Name of promoters	Unified social credit code/ ID number	Number of shares <i>(Ten thousand shares)</i>	Proportion of shareholding <i>(%)</i>	Time of capital contribution	Method of capital contribution
1.	Li Xiguang	442527196701*****	3,288.6478	30.1782	26 October 2022	Share capitalization of net assets
2.	Au Yeung Chung	442527196306*****	2,060.9678	18.9124	26 October 2022	Share capitalization of net assets
3.	Lee Yuk Ming	421181195302*****	1,008.2322	9.2520	26 October 2022	Share capitalization of net assets
4.	Zhuang Shuguang	442527195505*****	877.0239	8.0480	26 October 2022	Share capitalization of net assets
5.	Yuan Yi	442527195810*****	438.1283	4.0205	26 October 2022	Share capitalization of net assets
6.	Dongguan Dinghong Investment Consulting Center (Limited Partnership)* (東莞市鼎弘投資諮 詢中心(有限合夥))	91441900MA553WAQ0U	631.8941	5.7986	26 October 2022	Share capitalization of net assets
7.	Dongguan Runsheng Investment Consulting Center (Limited Partnership)* (東莞市潤生投資諮 詢中心(有限合夥))	91441900MA553QCH3C	361.0824	3.3135	26 October 2022	Share capitalization of net assets
8.	Dongguan Wanghe Investment Consulting Center (Limited Partnership)* (東莞市旺和投資諮 詢中心(有限合夥))	91441900MA553QAL34	263.3778	2.4169	26 October 2022	Share capitalization of net assets
9.	Shenzhen Habo Technology Investment Partnership (Limited Partnership)* (深圳哈勃科技投資 合夥企業(有限合夥))	91440300MA5GPTBQ9T	743.4049	6.8218	26 October 2022	Share capitalization of net assets
10.	Qingdao Shangqi Huizhu Zhanxin Industry Investment Fund Partnership (Limited Partnership)* (青島尚頤匯鑄戰新 產業投資基金合夥企業(有限合 夥))	91370203MA3WGTDF3J	173.4998	1.5921	26 October 2022	Share capitalization of net assets
11.	Shanghai Shangqi Qiyong Business Consulting Partnership (Limited Partnership)* (上海尚頤盈商務 諮詢合夥企業(有限合夥))	91310114MA1GUGJNX8	4.1450	0.0380	26 October 2022	Share capitalization of net assets
12.	BYD Company Limited	91440300192317458F	170.2429	1.5622	26 October 2022	Share capitalization of net assets

No.	Name of promoters	Unified social credit code/ ID number	Number of shares (Ten thousand shares)	Proportion of shareholding (%)	Time of capital contribution	Method of capital contribution
13.	Shenzhen Chuangqi Kaiying Business Consulting Partnership Enterprise (Limited Partnership)* (深圳市創啟開盈商務諮詢合夥企 業(有限合夥))	91440300MA5GCQ0H68	1.4804	0.0136	26 October 2022	Share capitalization of net assets
14.	Jiaxing Haiyu Venture Capital Partnership (Limited Partnership)* (嘉興海鈺創業投資 合夥企業(有限合夥))	91330402MA2LBYJ704	100.2213	0.9197	26 October 2022	Share capitalization of net assets
15.	Yibin Chendao New Energy Industry Equity Investment Partnership (Limited Partnership)* (宜賓晨道新能源產 業股權投資合夥企業(有限合夥))	91511500MA69K7AJ39	90.1991	0.8277	26 October 2022	Share capitalization of net assets
16.	Ningbo Meishan Bonded Port Area Chaoxing Venture Capital Partnership (Limited Partnership)* (寧波梅山保稅港區 超興創業投資合夥企業(有限合 夥))	91330206MA2AENU770	10.0221	0.0920	26 October 2022	Share capitalization of net assets
17.	Dongguan Dazhong Industrial Co., Ltd.* (東莞市大中實業有限公司)	91441900727046253W	232.1794	2.1306	26 October 2022	Share capitalization of net assets
18.	Jiaxing Chengyi Xinrui Equity Investment Partnership (Limited Partnership)* (嘉興誠毅欣銳股權 投資合夥企業(有限合夥))	91330402MA2CWWRH43	40.0885	0.3679	26 October 2022	Share capitalization of net assets
19.	Jinggangshan Fupu New Century Equity Investment Partnership (Limited Partnership)* (井岡山複 樸新世紀股權投資合夥企業(有限 合夥))	91360881MA39AD7EXC	86.0233	0.7894	26 October 2022	Share capitalization of net assets
20.	Zhuhai Hengqin Yongyue Chengzhang No. 3 Equity Investment Partnership (Limited Partnership)* (珠海橫琴踴躍成長 三號股權投資合夥企業(有限合 夥))	91440400MA7GFB4M1E	43.0116	0.3947	26 October 2022	Share capitalization of net assets
21.	Guangdong Liwan Equity Investment Partnership (Limited Partnership)* (廣東立灣股權投資 合夥企業(有限合夥))	91442000MA57AHUW6W	25.8070	0.2368	26 October 2022	Share capitalization of net assets
22.	Guangzhou Zhongguangyuan Shangkechuang Phase II Venture Capital Partnership (Limited Partnership)* (廣州中廣源商科創 二期創業投資合夥企業(有限合 夥))	91440101MA9Y2D5Y0K	17.2047	0.1578	26 October 2022	Share capitalization of net assets

No.	Name of promoters	Unified social credit code/ ID number	Number of shares (Ten thousand shares)	Proportion of shareholding (%)	Time of capital contribution	Method of capital contribution
23.	Dongguan Liwan Youxuan No. 7 Venture Capital Partnership (Limited Partnership)* (東莞立灣 優選七號創業投資合夥企業(有限 合夥))	91441900MA5786B10N	15.4842	0.1421	26 October 2022	Share capitalization of net assets
24.	Shenzhen Chunyang Jiutai Venture Capital Partnership (Limited Partnership)* (深圳春陽久泰創業 投資合夥企業(有限合夥))	91440300MA5H8ETF0J	25.8070	0.2368	26 October 2022	Share capitalization of net assets
25.	Shanghai Qingyi Xinyang Venture Capital Partnership (Limited Partnership)* (上海氫毅昕陽創業 投資合夥企業(有限合夥))	91310114MA1GXB0629	25.8070	0.2368	26 October 2022	Share capitalization of net assets
26.	China-Belgium Direct Equity Investment Fund* (中國 — 比利 時直接股權投資基金)	9111000071785306XC	51.6140	0.4736	26 October 2022	Share capitalization of net assets
27.	Dongguan Yueke Xintai Industrial Control Venture Capital Partnership (Limited Partnership)* (東莞粵科鑫泰工控 創業投資合夥企業(有限合夥))	91441900MA57D37Y4B	47.3128	0.4342	26 October 2022	Share capitalization of net assets
28.	Dongguan Yueke Tianyu Equity Investment Partnership (Limited Partnership)* (東莞粵科天域股權 投資合夥企業(有限合夥))	91441900MA53EWR12F	64.5175	0.5921	26 October 2022	Share capitalization of net assets
Total	—	—	<u>10,897.4268</u>	<u>100.00</u>	—	—

## Section 2 Increase, Reduction and Repurchase of Shares

**Article 20** Based on the needs of operation and development, the Company may increase capital by the following means in accordance with the provisions of laws and regulations subject to the resolution passed by the shareholders' meeting:

- (I) public offering of shares;
- (II) non-public issuance of shares;
- (III) distributing bonus shares to existing shareholders;
- (IV) conversion of reserves into share capital;
- (V) other means as stipulated by laws, administrative regulations, the Hong Kong Listing Rules or as approved by relevant regulatory authorities such as the securities regulatory authorities of the State Council.

The Company's increase in capital by issuing new shares shall, subject to approval pursuant to these Articles of Association and the Hong Kong Listing Rules, be conducted according to the procedures stipulated in relevant laws and administrative regulations of the State, these Articles of Association and the Hong Kong Listing Rules.

**Article 21** The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures stipulated in the Company Law, the Hong Kong Listing Rules and other relevant regulations and these Articles of Association.

**Article 22** The Company shall notify its creditors within ten days from the date on which the resolution for reduction of registered capital is passed and shall publish an announcement in a newspaper within thirty days from such date. A creditor has the right within thirty days from the date it receives the notice or, in the case of a creditor who does not receive such notice, within forty-five days from the date of the first announcement, to demand the Company to repay its debts or to provide a corresponding guarantee for such debts.

**Article 23** Without violating the provisions of the laws, regulations and the Hong Kong Listing Rules and these Articles of Association, the Company may, in the following circumstances, repurchase its shares in accordance with the laws, administrative regulations, department rules and these Articles of Association:

- (I) reducing the registered capital of the Company;
- (II) merging with another company that holds shares in the Company;
- (III) using shares for employee stock ownership plan or equity incentives;
- (IV) shareholders who object to resolutions of the shareholders' meeting on merger or division of the Company requesting the Company to buy back their shares;
- (V) using the shares for conversion of corporate bonds issued by the Company which are convertible into shares;
- (VI) where it is necessary for the Company to safeguard its value and shareholders' interest;
- (VII) other circumstances permitted by laws, administrative regulations, the Hong Kong Listing Rules and other relevant requirements.

**Article 24** The Company may repurchase its shares through public centralized trading or other methods recognized by laws, administrative regulations, the CSRC and the security regulatory authorities in the place where the Company's shares are listed.

Where the Company repurchases its shares under the circumstances set out in items (III), (V) and (VI) of the first paragraph of Article 23 hereof, such repurchase shall be conducted through public centralized trading and compliance with applicable laws, regulations and relevant regulations imposed by the CSRC and the Hong Kong securities regulatory authorities.

**Article 25** Where the Company repurchases its shares under the circumstances set out in items (I) and (II) of the first paragraph of Article 23 hereof, a resolution for this purpose shall be passed at the shareholders' meeting. Where the Company repurchases its shares under the circumstances set out in items (III), (V) and (VI) of the first paragraph of Article 23 hereof, a resolution for this purpose shall be passed at a board meeting attended by more than two-thirds of the directors, in accordance with the provisions of these Articles of Association or as authorized by the shareholders' meeting.

After the Company acquires its own shares according to the first paragraph of Article 23 hereof, in case of a repurchase under item (I), the repurchased shares must be canceled within 10 days from the acquisition date; in case of a repurchase under items (II) or (IV), the repurchased shares must be transferred or canceled within 6 months; in case of a repurchase under items (III), (V) or (VI), the Company shall not hold more than 10% of its total issued shares and must transfer or cancel such repurchased shares within 3 years.

Where the laws, administrative regulations, and the securities regulatory authorities of the place where the shares of the Company are listed stipulate other provisions on the relevant matters involved in the foregoing share repurchases, such provisions shall prevail.

### Section 3 Transfer of Shares

**Article 26** Unless otherwise stipulated in the laws, administrative regulations and the securities regulatory authorities of the place where the shares of the Company are listed, paid-up shares of the Company may be transferred freely and are not subject to any lien. Shares of the Company may be gifted, inherited and pledged pursuant to relevant laws, administrative regulations and these Articles of Association. The transfer of shares shall be registered with the local share registrar entrusted by the Company.

Transfer instruments and other documents relating to or affecting the ownership of any H Share shall be registered with the local share registrar in Hong Kong entrusted by the Company.

The listing and trading of the Company's H Shares on the Main Board of the Hong Kong Stock Exchange, and the delisting of the Company's H Shares shall be governed by the Hong Kong Listing Rules and other relevant requirements.

**Article 27** All fully paid H Shares may be transferred freely according to these Articles of Association. However, unless the following conditions are met, the Board may refuse to recognize any transfer instrument without giving any reasons:

- (I) the fees stipulated by the Hong Kong Stock Exchange in the Hong Kong Listing Rules have been paid to the Company, and the transfer instruments of the shares and other documents related to the ownership of the shares or which may affect the ownership of the shares have been registered;
- (II) transfer instruments are only in relation to H Shares;
- (III) the stamp duty payable under the laws of Hong Kong in respect of the transfer instruments has been paid;
- (IV) relevant share certificate(s) and any other evidence which the Board may reasonably request to prove that the transferor has the right to transfer the shares have been provided;
- (V) if the shares are to be transferred to joint holders, the number of joint holders shall not exceed four;
- (VI) the relevant shares are free from any lien in favor of the Company; and
- (VII) no transfer of shares shall be made to any minors or any person who is mentally incapacitated or otherwise lacks legal capacity.

**Article 28** All H Shares shall be transferred by a transfer instrument in writing in any usual or common form or any other form which the Board accepts (including the prescribed form or transfer form as required by the Hong Kong Stock Exchange from time to time). The written transfer instruments may be executed by hand or (if the transferor or the transferee is a company) affixed with the company's seal. If the transferor or transferee is a recognized clearing house as defined by the laws of Hong Kong in effect from time to time (the "Recognised Clearing House") or the agent thereof, the written transfer instruments may be executed by hand or by machine imprinted signatures.

All transfer instruments shall be kept at the legal address of the Company or any other place specified by the Board from time to time.

**Article 29** The Company will not accept any pledge with its shares as the subject.

**Article 30** The shares issued by the Company before the public offering of shares shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange.

Directors and senior management of the Company shall declare to the Company their shareholdings in the Company and any changes thereof, and shall not transfer more than 25% of the total number of shares of the Company held by them each year during their terms of office. The shares of the Company held by them shall not be transferred within one year from the date of the Company's listing. If the aforementioned personnel resign within six months from the date of the Company's initial public offering, they shall not transfer any shares of the Company directly held by them within eighteen months from the date of their resignation. If they resign between the seventh and twelfth months from the date of the Company's initial public offering, they shall not transfer any shares of the Company directly held by them within twelve months from the date of their resignation.

If there are other requirements for restrictions on the transfer of shares imposed by Hong Kong securities regulatory authorities, such requirements shall prevail.

**Article 31** Where any shareholder holding 5% or more of the Company's shares, or any director, senior manager of the Company, sells any of the Company's shares or other equity securities they hold within six months of purchasing them, or repurchases such securities within six months of selling them, any profit derived therefrom shall belong to the Company, and the Board shall recover such profit. This shall not apply to cases where a securities company holds 5% or more of the shares due to its purchase of unsold shares after an underwriting, or to other circumstances as stipulated by the CSRC.

The shares or other equity securities referred to in the preceding paragraph as being held by directors, senior management and natural person shareholders shall include those held by their spouses, parents, and children, as well as those held through another person's account.

If the Company's Board fails to enforce the provision of the preceding paragraph, shareholders have the right to demand the Board to do so within 30 days. If the Board fails to act within the aforementioned period, shareholders are entitled to, for the benefit of the Company, file a lawsuit directly with a people's court in their own names.

If the Company's Board fails to enforce the provision of the first paragraph, the directors at fault shall bear joint and several liability in accordance with the law.

If the transfer restrictions under this Article involve H Shares, the relevant regulations of the Hong Kong securities regulatory authorities must be complied with.

## CHAPTER 4 SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

### Section 1 Shareholders

**Article 32** The Company establishes a register of shareholders in accordance with the credentials from the securities registrar, and the register of shareholders is sufficient evidence of the shareholders' shareholdings in the Company. A shareholder of the Company is a person who lawfully holds shares of the Company and has his/her name (title) recorded in the register of shareholders. Shareholders shall enjoy the rights and assume the obligations in accordance with the class and number of shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations. The H Share register of shareholders shall be kept in Hong Kong and made available for inspection by shareholders.

**Article 33** Any shareholder whose name is entered on the register of shareholders or any person who requests his or her name be entered on the register of shareholders may apply to the Company for a new share certificate to be issued in respect of the relevant shares if the share certificate is lost. If a holder of domestic shares has lost his/her/its share certificate and applies for reissuance, the matter shall be dealt with in accordance with the requirements of the Company Law. If a holder of H Shares has lost his/her/its share certificate and applies for reissuance, the matter shall be dealt with in accordance with the laws of the place where the original copy of the register of shareholders for H Shares is maintained, the rules of the stock exchange or other relevant provisions.

**Article 34** When the Company convenes a shareholders' meeting, distributes dividends, commences liquidation, or engages in other activities requiring the identification of shareholders, the Board or the convener of the shareholders' meeting shall determine the record date. The shareholders whose names appear on the register of shareholders after the close of trading on the record date shall be the shareholders entitled to the relevant rights and interests.

**Article 35** The holders of ordinary shares of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of profit distribution in proportion to their shareholdings;
- (II) to request, convene, preside over, attend or appoint proxies to attend shareholders' meetings and speak at the shareholders' meetings, and to exercise the corresponding voting rights (except in cases where the shareholder is required to abstain from voting on individual matters in accordance with the securities regulatory rules of the place where the Company's shares are listed);
- (III) to supervise the operation of the Company, to submit proposals or to raise enquiries;

- (IV) to transfer, gift or pledge shares held by them in accordance with laws, administrative regulations, relevant requirements of the securities regulatory authorities and the provisions of these Articles of Association;
- (V) to obtain relevant information in accordance with these Articles of Association, including:
  - 1. to obtain a copy of these Articles of Association, subject to payment of cost;
  - 2. to access the Company's accounting books and accounting vouchers;
  - 3. to access freely and to make a copy, subject to payment of reasonable charges, of:
    - (1) complete register of shareholders;
    - (2) personal information of the directors and senior management of the Company, including:
      - 1) current and previous names and aliases;
      - 2) main address (domicile);
      - 3) nationality;
      - 4) full-time occupation and all other part-time occupations and positions;
      - 5) identification document and its number.
    - (3) a report regarding the status of the issued share capital of the Company;
    - (4) a report showing the aggregate nominal value, quantity, maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose (broken down by unlisted shares and H shares);
    - (5) resolutions of Board meetings;
    - (6) the latest audited financial statements of the Company, and the reports of the Board and the auditors;
    - (7) a copy of the latest annual report submitted to the industry and commerce administration of China or other competent authorities;

(8) minutes of shareholders' meetings.

The Hong Kong branch of the shareholder register must be accessible for shareholders' inspection, but our Company may temporarily suspend shareholder registration handling under terms equivalent to Section 632 of the Companies Ordinance (Cap. 622).

Subject to the applicable laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed, if the information to be inspected and copied involves business secrets or inside information of the Company as well as the personal privacy of the relevant individuals, the Company may refuse to provide such information.

The shareholder may retain an accounting firm, a law firm, or any other intermediary to inspect the materials specified in the preceding paragraph.

The shareholder and the accounting firm, law firm, or other intermediary retained by it shall comply with the provisions of laws and administrative regulations on the protection of state secrets, trade secrets, personal privacy, and personal information, among others, when inspecting and duplicating the relevant materials.

- (VI) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the shareholdings;
- (VII) with respect to shareholders who vote against any resolution adopted at the shareholders' meeting on the merger or division of the Company, the right to demand the Company to repurchase their shares;
- (VIII) other rights under laws, administrative regulations, departmental rules, normative documents, the listing regulatory rules of the places where the shares of the Company are listed and these Articles of Association.

**Article 36** When a shareholder requests to inspect the relevant information mentioned in the preceding article or to obtain such materials, he/she shall make a written request stating the purpose and provide the Company with written documents evidencing the class and amount of his/her shareholding in the Company. The Company shall provide such information in accordance with the shareholder's request after verifying his/her identity. If the Company reasonably believes that the shareholder's inspection of the accounting books and vouchers may harm the legitimate interests of the Company, it may refuse to permit such inspection, and shall provide a written reply to the shareholder within fifteen days from the date of the shareholder's written request, explaining the reasons for the refusal. If the inspection is denied by the Company, the shareholder may initiate legal proceedings in a people's court.

Shareholders requesting to inspect or copy materials related to the wholly-owned subsidiaries of the Company shall be subject to the provisions of these Articles of Association.

If a shareholder divulges the above-mentioned information after obtaining it in accordance with the provisions of these Articles of Association, resulting in harm to the Company's legitimate interests, the shareholder shall be liable for making compensation for related loss caused to the Company.

**Article 37** If any resolution of the shareholders' meeting or the Board meeting is in violation of laws and administrative regulations, the shareholders shall be entitled to request the people's court to invalidate the said resolution.

If the convening procedure or voting method of the shareholders' meeting or the Board meeting is in violation of laws, administrative regulations or these Articles of Association, or if the content of any resolution is in violation of these Articles of Association, the shareholders shall be entitled to apply to the people's court for revocation within 60 days from the date on which the resolution is made, unless the convening procedure or voting method of a shareholders' meeting or the Board meeting only contains a minor defect without a substantial impact on the resolution. If the right of revocation is not exercised within one year from the date on which the resolution is made, the right of revocation shall be extinguished.

**Article 38** If any director or member of the senior management violates laws, administrative regulations or these Articles of Association in fulfilling their duties, thereby causing any loss to the Company, the shareholders individually or jointly holding 1% or more of the shares of the Company for 180 or more consecutive days shall be entitled to request the Audit Committee in writing to institute legal proceedings in the people's court. If the Audit Committee violates laws, administrative regulations or these Articles of Association in fulfilling its duties, thereby causing any loss to the Company, the shareholders shall be entitled to request the Board in writing to institute legal proceedings in the people's court.

If the Audit Committee or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the shareholders or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may cause irreparable damage to the interests of the Company, the shareholders as specified in the preceding paragraph shall be entitled to directly institute legal proceedings in the people's court in their own names for the interests of the Company.

If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the shareholders as mentioned in the first paragraph of this Article may institute legal proceedings in the people's court according to the provisions of the two preceding paragraphs.

**Article 39** If any director or member of the senior management violates laws, administrative regulations or these Articles of Association, thereby causing any loss to the shareholders, the shareholders may institute legal proceedings in the people's court.

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

- (I) to abide by laws, administrative regulations and these Articles of Association;
- (II) to pay capital contribution for the shares subscribed for in the prescribed method of subscription;
- (III) except as otherwise provided by laws and regulations, withdrawal of share capital shall not be permitted;
- (IV) not to abuse shareholder's right to prejudice the interests of the Company or other shareholders; not to abuse the independent status of legal person of the Company or shareholder's limited liability to prejudice the interests of the creditors of the Company;
- (V) to fulfill other obligations as stipulated by laws, administrative regulations, Hong Kong Listing Rules and these Articles of Association.

Shareholders of the Company who abuse their rights as shareholders and thereby cause loss to the Company or other shareholders shall be liable for compensation according to the law.

Where shareholders of the Company abuse the independent status of legal person of the Company and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

**Article 41** Where a shareholder holding 5% or more voting shares of the Company pledges any shares in his/her possession, he/she shall submit a written report to the Company on the date when the pledge is executed.

**Article 42** The controlling shareholders, the actual controller, directors and senior management of the Company shall not use the related party (connected) relations to prejudice the interests of the Company; otherwise, they shall be liable for compensation for the loss suffered by the Company.

The controlling shareholders and the actual controller of the Company owe fiduciary duties towards the Company and other shareholders of the Company. The controlling shareholders shall exercise his/her rights as a capital contributor in strict compliance with laws. The controlling shareholders shall not make use of methods such as the distribution

of profits, restructuring of assets, external investments, misappropriation of assets, borrowing or loan guarantees to prejudice the legitimate interests of the Company and other shareholders, and shall not make use of their controlling positions to prejudice the interests of the Company and other shareholders.

The Company shall not provide the shareholders or the actual controller with funds, commodities, services or other assets gratis or on manifestly unfair terms; shall not provide funds, commodities, services or other assets to the shareholders or the actual controller who is noticeably unable to make repayment; shall not provide a guarantee to the shareholders or the actual controller who are noticeably unable to make repayment or provide a guarantee to the shareholders or the actual controller without justifiable reasons; shall not, without justifiable reasons, relinquish creditor's rights against the shareholders or the actual controller or assume debts of the shareholders or the actual controller; the Company or its subsidiaries shall not provide any financial assistance to a person who is acquiring or is proposing to acquire shares of the Company by way of gift, advancement, guarantee, indemnity or loans or other means. Transactions between the Company and the shareholders or actual controller regarding the provision of funds, commodities, services or other assets shall be subject to the deliberative procedures of the Board and the shareholders' meeting in strict accordance with the laws, regulations, the Hong Kong Listing Rules and the provisions of these Articles of Association relating to related party (connected) transactions.

## Section 2 General Provisions for Shareholders' Meetings

**Article 43** The shareholders' meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law:

- (I) to decide the business operation guidelines and investment plans for the Company;
- (II) to elect and change directors who are not employees' representatives, and determine the remunerations of directors;
- (III) to consider and approve reports of the Board;
- (IV) to consider and approve the annual financial budgets and final accounting proposals of the Company;
- (V) to consider and approve the Company's profit distribution proposals and loss recovery proposals;
- (VI) to resolve on the increase or reduction of the registered capital of the Company;
- (VII) to resolve on the issuance of bonds of the Company, other securities and on listing matters;

- (VIII) to resolve on the merger, division, dissolution, liquidation or change in the form of the Company;
- (IX) to amend these Articles of Association, Rules of Procedure for Shareholders' Meetings and Rules of Procedure for the Board;
- (X) to resolve on the Company's engagement, removal, or non-reappointment of an accounting firm and the remuneration thereof;
- (XI) to consider and approve these Articles of Association and transactions and external guarantees which shall be decided at shareholders' meeting as stipulated by the Rules of Procedure for Shareholders' Meetings;
- (XII) to consider and approve the Company's purchase or disposal of major assets within one year with the aggregate amount exceeding 30% of the latest audited total assets of the Company;
- (XIII) to consider and approve matters relating to the changes in the use of proceeds;
- (XIV) to consider and approve related party (connected) transactions, external investments, asset pledges, external financing and external donations which shall be approved at shareholders' meeting as stipulated by regulatory rules applicable to Hong Kong listing;
- (XV) to consider and approve equity incentive plan and employee stock ownership plan;
- (XVI) to consider proposals of shareholders individually or collectively holding 1% or more shares with voting rights of the Company;
- (XVII) to consider other matters required to be resolved at the shareholders' meeting pursuant to laws, administrative regulations, departmental rules, normative documents, these Articles of Association and Hong Kong Listing Rules.

The aforementioned functions and powers of the shareholders' meeting shall not be exercised by the Board or other institutions and individuals through any form of authorization. Without violating laws and regulations and the mandatory rules under relevant laws and regulations of the places where the Company is listed, the shareholders' meeting may authorize or delegate the Board to handle authorized or delegated matters.

**Article 44** The following external guarantees of the Company shall be subject to the approval of the shareholders' meeting:

- (I) any guarantee provided after the total amount of external guarantee provided by the Company and the Company's controlled subsidiaries has exceeded 50% of the audited net assets of the Company for the latest period;
- (II) guarantees provided to subjects with a debt-to-asset ratio of over 70%;
- (III) a single guarantee whose amount exceeds 10% of the audited net assets for the latest period;
- (IV) guarantees provided by the Company within 12 consecutive months in an amount exceeding 30% of the Company's audited total assets for the latest period;
- (V) Any guarantee provided by the Company, at a time when its total outstanding external guarantees exceed 30% of its audited total assets for the latest period;
- (VI) guarantees provided to shareholders, actual controller and their related parties;
- (VII) other guarantees stipulated by laws, administrative regulations, rules, Hong Kong Listing Rules or these Articles of Association.

The aforementioned external guarantees subject to the approval of the shareholders' meeting must be approved by the Board before being submitted to the shareholders' meeting for approval. To consider the guarantees in (IV) of this article at the shareholders' meeting, these guarantees shall be passed by votes representing not less than two-thirds of the voting rights of shareholders represented at the relevant meeting.

The Board shall have the right to consider and approve external guarantees other than those mentioned above that require the approval of the shareholders' meeting.

When considering the resolution of providing guarantees to shareholders, the actual controller and connected persons thereof at the shareholders' meeting, such shareholders or shareholders controlled by the controller shall not vote on such resolution. Such resolution requires a simple majority of the voting rights of other shareholders attending the shareholders' meeting to be passed.

Directors, senior management who have violated the provisions on the approval authority and consideration procedures for matters relating to external guarantees as specified in the laws, administrative regulations or these Articles of Association, and have caused losses to the Company shall be liable for compensation and the Company may institute legal proceedings against them in accordance with the laws.

Transactions of the Company (excluding financial assistance, provision of guarantees or donations of cash assets to the Company, obtaining debt relief and other transactions that do not involve payment of consideration and transactions without any obligations), which fall within the definition of a transaction and have met the following criteria by the relevant calculation methods as stipulated in the Hong Kong Listing Rules, shall be submitted to the shareholders' meeting for consideration in addition to being considered and approved by the Board:

- (I) major transactions;
- (II) very substantial disposals;
- (III) very substantial acquisitions;
- (IV) reverse takeover.

The above-mentioned "transactions" in this Article include purchase or sale of assets; external investments (including entrusted wealth management, investment in subsidiaries, etc.); lease-in or lease-out of assets; to entrust or accept entrusted management of assets and businesses; give gift or accept gift of assets; external donations; restructuring of creditors' rights and debts; entering into license agreements; transfer or accept R&D projects; to grant, accept, transfer, exercise, terminate or waive the rights (including waiver of pre-emptive right and right of first offer to subscribe for capital contribution), etc.

The above transactions do not include the following types of transactions related to daily operations of the Company: purchase of raw materials, fuel and power; acceptance of labor services; sales of products and commodities; provision of labor services; engineering contracting and other transactions related to daily operations, but the asset replacement involving the aforesaid transactions are still included.

The method of calculating the transaction amount mentioned in this Article shall refer to the relevant provisions of Chapter 14 of the Hong Kong Listing Rules for calculation as applicable.

The financial assistance provided by the Company (including interest or interest free loans, entrusted loans, etc.) should be submitted to the shareholders' meeting for approval under the Hong Kong Listing Rules. In addition to being approved by the Board, it should also be submitted to the shareholders' meeting for approval. If the funding target is a controlling subsidiary within the scope of the Company's consolidated statements, and the other shareholders of the controlling subsidiary do not include the Company's controlling shareholder, actual controller, and related (connected) parties, the provisions of the preceding paragraph may be exempted.

**Article 45** Shareholders' meetings consist of annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be held once every year within 6 months after the end of the previous financial year.

**Article 46** The Company shall convene an extraordinary shareholders' meeting within 2 months of the occurrence of any of the following events:

- (I) when the number of directors falls below the statutory minimum requirement of the Company Law, or is less than 2/3 of the number specified by these Articles of Association;
- (II) the unrecovered losses of the Company amount to 1/3 of the total amount of its paid-up share capital;
- (III) when shareholders severally or jointly holding 10% or more of the Company's shares request (the number of shares held shall be subject to the date of the shareholder's written request);
- (IV) the Board considers it necessary;
- (V) the Audit Committee proposes to convene such meeting;
- (VI) other circumstances stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the regulatory rules of the place where shares of the Company are listed or these Articles of Association.

The number of shares held as described in item (III) above shall be calculated based on the shares of the Company held by the shareholder on the date when such written request is made by such shareholder or, if such date is a non-trading day, at the close of the trading day immediately preceding the date of such written request.

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

**Article 47** The venue of a shareholders' meeting of the Company shall be the domicile of the Company or other location specified in the notice of the meeting.

A shareholders' meeting shall be held at a physical venue. The Company will also, as circumstances require and where applicable, provide other means for the convenience of shareholders attending the shareholders' meetings according to laws, administrative regulations, the securities regulatory authorities of the place where shares of the

Company are listed, the Hong Kong Listing Rules or these Articles of Association. A shareholder who participates in a shareholders' meeting in the aforesaid manners shall be deemed to have been present at the meeting.

After the issuance of the notice for a shareholders' meeting, the venue of the on-site shareholders' meeting shall not be changed without any proper reasons.

In case of change, the convener shall issue an announcement stating the reasons at least two business days before the date of convening the on-site meeting.

### Section 3 Holding of Shareholders' Meetings

**Article 48** Unless otherwise provided by these Articles of Association, shareholders' meetings shall be convened by the Board. If the Board is unable or fails to fulfil the obligation of convening shareholders' meetings, the Audit Committee shall convene such meetings in a timely manner. If the Audit Committee does not convene such meetings, the shareholders separately or jointly holding more than 10% of the shares of the Company for 90 or more consecutive days may convene such meetings on their own initiative. Independent non-executive directors shall be entitled to propose to the Board to convene an extraordinary shareholders' meeting. The Board shall, in accordance with laws, administrative regulations and these Articles of Association, provide written feedback on whether it agrees or disagrees to convene an extraordinary shareholders' meeting within 10 days upon receipt of the proposal.

If the Board agrees to convene the extraordinary shareholders' meeting, it shall serve a notice of such meeting within 5 days after the resolution is made by the Board; if the Board does not agree to convene the extraordinary shareholders' meeting, it shall give the reasons and publish an announcement thereof.

Where the securities regulatory authorities of the place where shares of the Company are listed provide other requirements, such requirements shall prevail.

**Article 49** The Audit Committee shall be entitled to propose to the Board to convene an extraordinary shareholders' meeting, and shall put forward its proposal to the Board in writing. The Board shall, pursuant to laws, administrative regulations, departmental rules, regulatory documents, the regulatory rules of the place where the Company's shares are listed, the Hong Kong Listing Rules and these Articles of Association, give a written reply on whether it agrees or disagrees to convene the extraordinary shareholders' meeting within 10 days upon receipt of the proposal.

If the Board agrees to convene the extraordinary shareholders' meeting, it shall serve a notice of such meeting within 5 days after the resolution is made by the Board. In the event of any change to the original proposal set forth in the notice, the consent of the Audit Committee shall be obtained.

If the Board does not agree to convene the extraordinary shareholders' meeting or fails to respond within 10 days upon receipt of the proposal, it shall be deemed to be unable to perform or to have failed to perform the duty of convening the shareholders' meeting, and the Audit Committee may convene and preside over the meeting itself.

**Article 50** Shareholders severally or jointly holding 10% or more of the shares of the Company shall be entitled to request the Board to convene an extraordinary shareholders' meeting and add proposals to the agenda of the meeting, and such request shall be put forward to the Board in writing, stating the topics to be discussed at the meeting. The Board shall, pursuant to laws, administrative regulations and these Articles of Association, give a written reply on whether it agrees or disagrees to convene the extraordinary shareholders' meeting within 10 days upon receipt of the request, without unreasonable delay or obstruction.

If the Board agrees to convene the extraordinary shareholders' meeting, it shall serve a notice of such meeting within 5 days after the resolution is made by the Board. In the event of any change to the original request set forth in the notice, the consent of relevant shareholders shall be obtained.

If the Board does not agree to convene the extraordinary shareholders' meeting or fails to respond within 10 days upon receipt of the request, shareholders severally or jointly holding 10% or more of the shares of the Company shall be entitled to propose to the Audit Committee to convene an extraordinary shareholders' meeting, and shall put forward such request to the Audit Committee in writing.

If the Audit Committee agrees to convene the extraordinary shareholders' meeting, it shall serve a notice of such meeting within 5 days upon receipt of the request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholders shall be obtained.

If the Audit Committee fails to serve a notice of shareholders' meeting within the prescribed period, it shall be deemed as failing to convene and preside over the shareholders' meeting and the shareholders severally or jointly holding 10% or more of the Company's shares for 90 or more consecutive days may convene and preside over such meeting on their own.

**Article 51** If the Audit Committee or shareholders decide to convene a shareholders' meeting by themselves, they shall take corresponding actions in accordance with the regulatory rules of the place where the Company's shares are listed. The shareholding of the convening shareholders shall be no less than 10% before an announcement of the resolutions of the shareholders' meeting is issued. The Audit Committee or the convening shareholders shall take corresponding actions in accordance with the regulatory rules of the place where the Company's shares are listed when the notice of the shareholders' meeting and the announcement of the resolutions of the shareholders' meeting are issued.

**Article 52** The Board and the secretary to the Board shall cooperate with respect to shareholders' meetings convened by the Audit Committee or the shareholders themselves. The Board shall provide the register of shareholders on the shareholding record date.

**Article 53** The necessary expenses required for the shareholders' meetings convened by the Audit Committee or the shareholders themselves shall be borne by the Company.

#### Section 4 Proposal and Notice of Shareholders' Meetings

**Article 54** The contents of the proposals shall fall within the functions and powers of the shareholders' meeting, shall have clear discussion topics and specific matters to be resolved, and shall comply with relevant requirements of laws, administrative regulations, the regulatory rules of the place where shares of the Company are listed and these Articles of Association. Proposals shall be put forward in writing.

**Article 55** When a shareholders' meeting is convened by the Company, the Board, the Audit Committee or shareholders individually or jointly holding 1% or more of the shares of the Company shall be entitled to raise proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the shares of the Company may put forward an interim proposal and submit it in writing to the convener 10 days or within the time limit prescribed in the regulatory rules of the place where the Company's shares are listed prior to the shareholders' meeting. The convener shall, within 2 days upon receipt of the proposal or within the time limit prescribed in the regulatory rules of the place where the Company's shares are listed, issue a supplementary notice of the shareholders' meeting to inform the contents of the interim proposal.

Except for circumstances provided in the above paragraph, the convener, after issuing the notice of the shareholders' meeting, shall neither modify the proposals stated in the notice of shareholders' meeting nor add new proposals.

The shareholders' meeting shall neither vote nor make a resolution on any proposals that are not included in the notice or are inconsistent with these Articles of Association.

**Article 56** The notice of shareholders' meeting (including the supplementary notice) shall be issued in accordance with the requirements of relevant laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed.

Subject to laws, administrative regulations and the listing regulatory rules of Hong Kong, the Company shall issue a written notice to each shareholder 21 days prior to the date of the annual shareholders' meeting, while the Company shall issue a written notice to each shareholder 15 days prior to the date of the extraordinary shareholders' meeting.

In respect of the issuance of the supplementary notice of the shareholders' meeting, if the securities regulatory rules of the place where the shares of the Company are listed specify special requirements, such requirements shall prevail. If the shareholders' meeting is required to be postponed due to issuance of the supplementary notice of the shareholders' meeting as provided by the securities regulatory rules of the place where the shares of the Company are listed, the convening of the shareholders' meeting shall be postponed in accordance with the requirements of the securities regulatory rules of the place where the shares of the Company are listed. The proxy form providing both voting options for and against on all resolutions to be proposed at the meeting shall be provided together with the notice.

**Article 57** Matters that are not included in the notice shall not be resolved at the shareholders' meeting.

**Article 58** Notice of a shareholders' meeting shall be in writing and shall include the following:

- (I) the date, venue and duration of the meeting;
- (II) matters and proposals to be considered at the meeting;
- (III) a prominent statement that all shareholders are eligible to attend the shareholders' meeting and are entitled to appoint proxies in writing to attend and vote at such meeting on their behalf, and that such proxy does not need to be a shareholder of the Company;
- (IV) the record date for the shareholders entitled to attend the meeting;
- (V) the name and phone number of the contact person for the meeting;
- (VI) information and explanations necessary for shareholders to make informed decisions on the matters to be discussed. This principle includes (but is not limited to) providing the specific terms and contracts (if any) of proposed transactions and offering a thorough explanation of their causes and consequences when our Company proposes mergers, share repurchase, capital restructuring, or other reorganizations;
- (VII) the nature and extent of directors, general manager, and other senior management's interest if they have a significant interest in the matters to be discussed. If the discussed matters affect these personnel as shareholders differently from other shareholders of the same category, this difference must be explained;
- (VIII) the full text of any special resolutions proposed to be passed at the meeting;
- (IX) the delivery time and location of the power of attorney for the proxies voting at the meeting;

- (X) the voting time and procedures for online or other voting methods;
- (XI) other matters stipulated by laws, administrative regulations, normative documents, and the Hong Kong Listing Rules.

The notice and supplementary notice of the shareholders' general meeting must fully and completely disclose the specific content of all proposals. If independent non-executive directors need to express their opinions on the discussed matters, their opinions and reasons must be disclosed alongside the issuance of the shareholders' general meeting notice or supplementary notice.

If the shareholders' general meeting uses alternative voting methods, the notice should also specify the voting time and matters for these methods. For meetings using online or other methods, the notice must clearly state the voting time and procedures for these methods. The starting time for online or other voting methods must not be earlier than 3: 00 PM on the day before the on-site shareholders' general meeting, and not later than 9: 30 AM on the day of the on-site shareholders' general meeting. The closing time must not be earlier than 3: 00 PM on the day the on-site shareholders' meeting concludes.

The interval between the date of record and the meeting date must comply with the regulations of the relevant regulatory authorities where our Company's stock is listed. Once the date of record is confirmed, it cannot be changed.

**Article 59** In the event that matters involving the election of directors are to be considered at the shareholders' meeting, the notice of such meeting shall fully disclose the detailed information of the candidates for such directors, which shall at least include the following:

- (I) personal particulars including full name (including any former name and alias), education background, working experience and any concurrent positions;
- (II) whether there is any connected relationship with the Company or its controlling shareholders and the actual controller;
- (III) disclosure of the shareholdings in the Company;
- (IV) whether or not they have been penalized by the CSRC and other relevant authorities and the stock exchange;
- (V) other matters required to be disclosed by the listing regulatory rules of the place where the shares of the Company are listed.

Apart from directors elected through the cumulative voting system, each candidate for director shall be individually proposed.

**Article 60** Unless laws, administrative regulations, the Hong Kong Listing Rules or these Articles of Association provide otherwise, a notice of the shareholders' meeting shall be sent to shareholders (whether they are entitled to vote at the meeting or not) by hand or by prepaid mail to the address as shown in the register of shareholders; or by making an announcement on the Company's website or the websites designated by the Hong Kong Stock Exchange in accordance with applicable laws, regulations and the Hong Kong Listing Rules. For shareholders of unlisted shares, the notice of the shareholders' meeting can also be made by making an announcement.

The announcement referred to in the preceding paragraph shall be published on media that satisfy the requirements prescribed by the securities regulatory authority of the State Council. Once the announcement is published, all shareholders of unlisted shares shall be deemed to have received the notice in relation to the shareholders' meeting.

The notice of shareholders' meeting to H shareholders may be published on the websites designated by the Hong Kong Stock Exchange and the website of the Company. Once the announcement is published, all shareholders of H shares shall be deemed to have received the notice in relation to the shareholders' meeting.

**Article 61** The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice, shall not invalidate the meeting and the resolutions passed at the meeting.

The notice referred to in the preceding paragraph shall include the notice of shareholders' meetings and notices of meetings of the Board and the Audit Committee.

**Article 62** After issuance of the notice for shareholders' meeting, the shareholders' meeting shall not be postponed or cancelled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of delay due to special reasons, the convener shall make a notice to each shareholder giving reasons at least two (2) business days prior to the agreed date of convening the meeting.

## Section 5 Convening of Shareholders' Meetings

**Article 63** The Board and other conveners shall take such necessary measures to ensure the normal order of the shareholders' meeting. For any disturbance to the order of the shareholders' meeting, causing trouble and acts infringing the lawful interests of the shareholders, measures shall be taken to prevent them, and they shall be reported to the relevant authorities for investigation.

**Article 64** All shareholders of the Company on the register of shareholders on the record date or their proxies are entitled to attend the shareholders' meeting and vote in accordance with the provisions of the relevant laws, regulations and these Articles of Association, unless specific shareholders are required under the Hong Kong Listing Rules to abstain from voting on particular matters.

Shareholders may attend the shareholders' meeting in person and may also appoint proxies (which need not be a shareholder) to attend and vote at the shareholders' meeting on their behalf.

**Article 65** Any shareholder who is entitled to attend and vote at a shareholders' meeting shall have the right to appoint one or more persons (who need not be a shareholder) as his/her proxies to attend and vote on his/her behalf. Such proxies may exercise the following rights as entrusted by the shareholder:

- (I) the rights of speech for such shareholder at the shareholders' meeting;
- (II) the rights to demand by himself/herself or jointly with others in voting by way of poll;
- (III) unless otherwise required by relevant laws, regulations and regulatory documents as well as the securities regulatory authorities of Hong Kong and the Hong Kong Listing Rules, the right to vote by showing hands or by poll, provided that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights by way of poll.

**Article 66** Individual shareholders attending a shareholders' meeting in person shall produce their identity cards or other valid proof or certificate of their identity or stock account card; in the case of attendance by proxies, the proxies shall produce valid proof of their identity and the powers of attorney from shareholders.

Where a shareholder is a legal person and other non-natural person, its legal representative (person in charge/executive partner) or representative entrusted by it can attend the meeting and exercise such shareholder's rights (including voting rights) as if the legal person shareholder or non-natural person shareholder attends the meeting in person. If the legal representative (person in charge/executive partner) attends the meeting, he/she shall produce his/her identification document and valid certificate proving his/her qualification to be a legal representative (person in charge/executive partner); if a proxy is entrusted to attend the meeting, the proxy shall produce his/her identification document and the power of attorney issued by the legal person shareholder and other non-natural person shareholder (other than shareholder that is a recognized clearing house (or its nominee) within the meaning of the relevant provisions of the Hong Kong laws or the listing rules of the place where the shares of the Company are listed that are in force from time to time.

If the shareholder is a recognized clearing house (or its nominee) as defined under relevant laws and ordinances of Hong Kong, the shareholder may authorize one or more persons as its proxy or representative at the shareholders' meeting and any class meeting of shareholders. However, if more than one person is authorized, the proxy form or power of attorney shall specify the number and class of the shares relating to each such proxy. Such person so authorized may exercise rights on behalf of the recognized clearing

house (or its nominee) (without having to present shareholding certificates, notarized authorization and/or further evidence to prove they are duly authorized) as if such person is an individual shareholder of the Company.

**Article 67** The instrument issued by the shareholder to authorize another person to attend the shareholders' meeting shall include the following contents:

- (I) name of the proxy and the number of shares represented by the proxy;
- (II) whether the proxy has voting rights;
- (III) indication of consent, objection or abstention concerning each matter to be considered on the agenda of the shareholders' meeting;
- (IV) whether the proxy has the voting right on an interim proposal that may be added to the agenda of the shareholders' meeting, and if so, the specific instructions as to what vote to cast if he/she has such right to vote;
- (V) date of signing of the instrument and term of validity;
- (VI) signature (or seal) of the principal. If the principal is a legal person shareholder, the seal of the legal person or the signature of its authorized person shall be affixed;
- (VII) other matters specified by the listing rules of the place where the shares of the Company are listed.

**Article 68** An instrument of proxy shall be deposited at the domicile of the Company, or at such other place as is specified in the notice of the meeting, not less than 24 hours before the time for holding the meeting at which the person named in the instrument is to vote, or before the time appointed for voting. If the instrument of proxy is signed by a person on behalf of the appointor under a power of attorney or other authority, such power of attorney or other authority shall be notarially certified. The notarially certified power of attorney or other authority shall be deposited together with the instrument of proxy at the domicile of the Company or at such other place specified in the notice of the meeting.

If the appointer is a legal person, its legal representative (person in charge) or person authorized by its Board or other decision-making bodies to act as its representative shall attend the shareholders' meeting of the Company.

In the event the appointer is an unincorporated organization, the principal or such person authorized by the decision-making body shall attend the shareholders' meeting of the Company as a representative.

Where the appointer has deceased, incapacitated to act, withdrawn the appointment or withdrawn the signed appointment prior to the voting, or the relevant shares have been transferred prior to the voting, a vote given in accordance with the terms of instrument of proxy shall remain valid as long as the Company did not receive a written notice of the event before commencement of the relevant meeting.

**Article 69** Where a shareholder is a recognized clearing house (or its nominee) within the meaning of relevant provisions of the Hong Kong Securities and Futures Ordinance or the Hong Kong laws in force from time to time, such shareholder may authorize one or more persons as it thinks fit to act as its proxy(ies) at any shareholders' meeting, provided that, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each person is so authorized. A person so authorized may exercise rights on behalf of the recognized clearing house (or its nominees) (there is no need for such person to produce share certificates or notarized authorization and/or further evidence to prove that he/she has been duly authorized) as if such person was an individual shareholder of the Company. The authorized proxy(ies) of the recognized clearing house shall enjoy legal rights equivalent to those of other shareholders, including the right to speak and vote.

**Article 70** The registration record for attendees at the meeting shall be compiled by the Company. The registration record shall contain contents such as name of the attendee, ID card number (or unified social credit code), address of domicile, number of voting shares held or represented, and the name of the principal.

**Article 71** The convener shall verify the validity of the qualifications of shareholders based on such shareholders' register as provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

**Article 72** When a shareholders' meeting is convened, all the directors and the secretary to the Board of the Company shall attend the meeting, and the general manager and other senior management shall be present at such meeting. For those that are unable to attend or be present at the meeting for any reason, the Company may provide convenience to those persons by providing to them access to video, telephone, internet and other means as practicable under the then circumstance.

**Article 73** If a shareholders' meeting is convened by the Board, the meeting shall be chaired and presided over by the chairman of the Board. Where the chairman of the Board is unable to discharge or fails to discharge his/her duties, the meeting shall be chaired and presided over by a director elected by more than one half of the directors.

If a shareholders' meeting is convened by the Audit Committee, the meeting shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is unable to discharge or fails to discharge his/her duties, the meeting shall be presided over by a member of the Audit Committee elected by more than one half of the members of the Audit Committee.

If a shareholders' meeting is convened by the shareholders themselves, the convener will nominate a representative to preside over the meeting.

When a shareholders' meeting is convened, if the chairman of the meeting contravenes these Articles of Association or the Rules of Procedure for Shareholders' Meetings of the Company, rendering the meeting impossible to proceed, with the consent from half or more of the attending shareholders with voting rights, one person may be nominated at the shareholders' meeting to serve as the chairman and the meeting may proceed.

**Article 74** The Company shall formulate the Rules of Procedure for Shareholders' Meetings, and specify in details the procedures for convening, and voting at, the shareholders' meeting, including notification, registration, review and consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, as well as principle for the authorization granted to the Board by the shareholders' meeting, and the authorization shall be clear and specific. The Rules of Procedure for Shareholders' Meetings shall be appended to these Articles of Association. They shall be formulated by the Board and approved by the shareholders' meeting.

**Article 75** At the annual shareholders' meeting, the Board shall report its work for the past year to the shareholders' meeting. Each independent non-executive director shall also present a work report.

**Article 76** Directors and senior management shall provide explanations regarding the enquiries and suggestions from shareholders at the shareholders' meeting.

**Article 77** The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the shareholders' meeting.

**Article 78** Minutes shall be prepared for shareholders' meetings by the secretary to the Board. The minutes shall state the following contents:

- (I) time, venue and agenda of the meeting and name of the convener;
- (II) the name of the chairman of the meeting and the names of the directors, general manager and other senior management attending or present at the meeting;

- (III) the number of shareholders and proxies attending the meeting, total number of voting shares they represent and the percentages of their voting shares to the total number of shares of the Company, including the number of domestic shareholders (including proxies) and holders of H Shares (including proxies) attending the shareholders' meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company;
- (IV) the process of review and discussion, summary of any speech and voting results of each proposal;
- (V) shareholders' questions, suggestions and corresponding answers or explanations;
- (VI) names of vote counters and scrutinizer of the voting;
- (VII) other contents to be included as specified in the regulatory rules of the place where the Company's shares are listed or these Articles of Association.

**Article 79** The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, the secretary to the Board, conveners or their representatives and the chairman of the meeting attending or present at the meeting as observers shall sign on the minutes. The minutes shall be kept together with the registration record of attending shareholders, proxy forms and valid information on other means of voting, for a period of 10 years.

**Article 80** The convener shall ensure that the shareholders' meeting be conducted continuously until final resolutions are made. If the shareholders' meeting is suspended or resolutions cannot be made because of force majeure and other special causes, the convener shall take necessary measures to resume the meeting or directly terminate that meeting as soon as practicable followed by a timely public announcement. If the regulatory rules of the place where the Company's shares are listed or Hong Kong securities regulatory authorities have other provisions, such provisions shall prevail.

#### Section 6 Voting and Resolutions of Shareholders' Meetings

**Article 81** Resolutions of a shareholders' meeting include ordinary resolutions and special resolutions.

Ordinary resolutions of a shareholders' meeting shall be adopted by more than half of the voting rights held by the shareholders (including their proxies) attending the shareholders' meeting.

Special resolutions of a shareholders' meeting shall be adopted by more than two thirds of the voting rights held by the shareholders (including their proxies) attending the shareholders' meeting.

**Article 82** The following matters shall be approved by an ordinary resolution at the shareholders' meeting:

- (I) working reports from the Board;
- (II) profit distribution proposals and loss recovery proposals proposed by the Board;
- (III) appointments and removals of members of the Board and their remunerations and payment methods;
- (IV) annual financial budget plans and final account plans of the Company;
- (V) annual reports, balance sheets, income statements and other financial statements of the Company;
- (VI) appointments, removals, or non-renewals of accounting firms, including their compensation;
- (VII) other significant matters exceeding the investment and decision-making authority of the Board as stipulated in these Articles of Association;
- (VIII) other matters that are not required by laws, administrative regulations, departmental rules, regulatory documents, laws and regulations and listing rules of the place where the Company's shares are listed or these Articles of Association to be approved by a special resolution.

**Article 83** The following matters shall be approved by a special resolution at the shareholders' meeting:

- (I) to resolve on the increase or decrease of the Company's registered capital and issuance of shares and warrants of any kind and other similar securities;
- (II) to resolve on the issuance of bonds of the Company, other securities and on listing matters;
- (III) to resolve on the merger, division, dissolution, liquidation or change in the form of the Company;
- (IV) to amend these Articles of Association;
- (V) to consider and approve the Company's purchase or disposal of major assets within one year with the aggregate amount exceeding 30% of the latest audited total assets of the Company;
- (VI) share plans;

- (VII) other matters required by laws, administrative regulations, the Hong Kong Listing Rules or these Articles of Association to be approved by a special resolution, and other matters deemed by an ordinary resolution of the shareholders' meeting to have a significant impact on the Company.

**Article 84** Shareholders (including their proxies) who vote at a shareholders' meeting shall exercise their voting rights according to the number of voting shares they represent (except where they are required to abstain from voting on individual matters in accordance with the securities regulatory rules of the place where the Company's shares are listed), with one vote for each share. On a poll taken at a meeting, a shareholder (including a shareholder's proxy) entitled to two or more votes need not cast all his votes in the same way.

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

When the shareholders' meeting considers major matters that affect the interests of small and medium-sized investors, the votes of small and medium-sized investors should be promptly and publicly disclosed in accordance with relevant laws, regulations and the Hong Kong Listing Rules.

In accordance with applicable laws, regulations and the listing regulatory rules of the place where the Company's shares are listed, if any shareholder is required to abstain from voting on a certain resolution or is limited to voting only for (or against) a certain matter, any vote cast by such shareholder or their representative in violation of the relevant regulations or restrictions will not be counted.

If a shareholder purchases shares with voting rights of the Company in violation of the provisions of Article 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares with voting rights present at the shareholders' meeting for thirty-six months after the purchase.

Shareholders have the right to speak and vote at the shareholders' meeting unless an individual shareholder is required to abstain from voting in respect of a particular matter under the listing regulatory rules of the place where the Company's shares are listed, such as a particular shareholder holding a material interest in a particular transaction or arrangement under voting.

**Article 85** When the shareholders' meeting deliberates on related party (connected) transactions, connected shareholders shall abstain from voting, and shall not represent other shareholders in exercising their voting rights. The number of voting shares represented by them shall not be included in the total number of valid votes. The announcement of the resolution of the shareholders' meeting should fully disclose the voting status of non-connected shareholders.

The Board shall judge whether the relevant matters to be submitted to the shareholders' meeting constitute related party (connected) transactions. When related party (connected) transactions are considered at the shareholders' meeting, the abstention and voting procedures for connected shareholders shall be as follows:

- (I) If any matter considered at the shareholders' meeting is related to any shareholder, such shareholder shall disclose his/her connected relationship to the Company's Board prior to the convening of the meeting;
- (II) When any related party (connected) transaction is being considered at the shareholders' meeting, the chairman of the meeting shall announce the shareholders with connected relationships, and explain the connected shareholders' relationships with the related party (connected) transactions;
- (III) The chairman of the meeting shall request the connected shareholders to abstain, and non-connected shareholders shall consider and vote on the related party (connected) transactions; if the chairman of the meeting needs to abstain, the chairman of the meeting shall voluntarily abstain, and shareholders, unconnected directors present at the meeting have the right to request the chairman of the meeting to abstain;
- (IV) Resolutions on connected transactions shall be passed by more than two-thirds of the voting rights held by non-connected shareholders present at the shareholders' meeting;
- (V) If a connected shareholder does not voluntarily abstain, other shareholders or shareholders' representatives attending the shareholders' meeting shall have the right to request the connected shareholder to abstain. If other shareholders or shareholder representatives make an abstention request, and the requested shareholder considers that he/she does not fall within the scope of abstention, the chairman of the shareholders' meeting shall discuss with the on-site directors and relevant shareholders as appropriate and make a decision on whether to abstain;
- (VI) The connected shareholders who shall abstain from voting may participate in the discussion relating to the related party (connected) transaction to which they are connected, and explain and illustrate to the shareholders' meeting whether such related party (connected) transactions are fair and legal as well as the reason for entering into such transactions. However, such shareholder shall have no right to participate in the voting on such matters.

**Article 86** The list of candidates for directors shall be submitted as a proposal to the shareholders' meeting for voting. The ways and procedures for nominating directors are:

- (I) Candidates for directors of the Company shall be proposed by the Board or shareholders individually or jointly holding more than 3% of the Company's shares to the Board, and the Board shall submit their proposals to the shareholders' meeting for election;
- (II) If a candidate for directors of the Company is to be served by an employee representative, the candidate shall be directly elected to the Board after being elected through democratic procedures such as the employee representatives' congress, the employees general meeting or other forms of democracy;
- (III) The nominator shall provide the Board with the resumes and basic information of the candidate for director proposed by him/her, and the Board shall issue "informative notice of election" prior to the convening of the shareholders' meeting. The announcement shall disclose in detail the resumes and basic information of the candidates including the number of directors elected, the qualifications of the nominators, the qualifications of the candidates, the preliminary examination procedures of the candidates, etc. to facilitate institutional investors and minority shareholders to recommend candidates for directors. Prior to the convening of the shareholders' meeting, the candidates for directors shall make a written undertaking, agreeing to accept the nomination, and undertake the truthfulness and completeness of the information of the candidates for directors to be disclosed publicly and to ensure that they will perform their duties as a director after being elected. During the election of directors at the shareholders' meeting, the director candidates may speak in person to introduce their own status, work history and work plan after taking office.

The notice period for delivery of the written notice to nominate a person as director and a written notice by that person of his willingness to be nominated shall be at least seven days, which shall commence from the next date after issuance by the Company of the meeting notice in respect of the election, and end no later than seven days prior to the date when the meeting is held.

When election of the directors is voted at the shareholders' meeting, the cumulative voting system shall be implemented.

The "cumulative voting system" referred to in the preceding paragraph means each share shall have the same voting right as the number of directors to be elected, when election of directors is voted at the shareholders' meeting. The voting right held by shareholders may be used collectively. The Board shall state the resumes and basic particulars of the candidates for directors to the shareholders.

The applicable cumulative voting system voted at the shareholders' meeting shall be conducted under the following principles:

- (I) The number of director candidates may exceed the number of persons to be elected at the shareholders' meeting whereas the number of persons to be elected voted by each shareholder shall not exceed the number of directors to be elected at the shareholders' meeting. The total number of votes attributed may not exceed the number of votes owned by shareholders, otherwise the votes will be invalid;
- (II) Independent non-executive directors and non-independent directors vote separately. When electing an independent non-executive director, each shareholder is entitled to receive the number of votes equal to the number of shares held by him/her multiplied by the number of independent non-executive directors to be elected, during which the votes are only for independent non-executive director candidates of the Company; when electing a non-independent director, each shareholder is entitled to receive the number of votes equal to the number of shares held by him/her multiplied by the number of non-independent directors to be elected, during which the votes are only for non-independent director candidates of the Company;
- (III) The election of director candidates is determined in the order of number of votes, while the minimum votes for each elected person shall exceed half of the total number of shares held by shareholders (including proxies) present at the shareholders' meeting. If the number of elected directors is lower than the number of director candidates to be elected at the shareholders' meeting, shareholders shall vote again as to the shortage on director candidates without enough votes. The Company will conduct an additional election for the next shareholders' meeting if the shortage remains. If more than two (2) director candidates receive the same votes, while only part of the persons may be elected as limited by the number of elections, shareholders shall individually vote again on the election for director candidates with same votes.

**Article 87** Other than the cumulative voting system, the shareholders' meeting shall vote on all proposals one by one. Where different proposals for the same issue are proposed, such proposals shall be voted on in the order of time in which they are proposed. Other than special reasons such as force majeure which results in the interruption of the shareholders' meeting or makes it impossible to come to resolution, the shareholders' meeting shall not set aside the proposals or withhold from voting.

**Article 88** No amendments shall be made to a proposal when it is considered at the shareholders' meeting. Amended proposal shall be deemed as a new proposal and shall not be voted at the same shareholders' meeting.

**Article 89** Each voting right shall be exercised either at the meeting or by any of other available means. The first vote shall prevail in cases when a given voting right is exercised repeatedly.

**Article 90** Unless it is a resolution on procedural or administrative matters which can be decided by the chairman in good faith and shall be voted on by a show of hands, resolutions at a shareholders' meeting shall be voted on by poll.

**Article 91** Before voting on a proposal at the shareholders' meeting, two shareholder representatives shall be elected to participate in vote counting and scrutinizing.

When a proposal is voted on at a shareholders' meeting, the shareholder representatives and other relevant personnel appointed under the Hong Kong Listing Rules shall be responsible for counting and scrutinizing the votes in accordance with the Hong Kong Listing Rules, and the results of the vote shall be announced on site, and the results of the vote on the resolution shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxy who vote via other means are entitled to check their votes through the appropriate voting system.

**Article 92** The on-site shareholders' meeting shall end no earlier than voting by other means, and the chairman shall announce the vote and the result of each proposal and, based on the result of the vote, whether the proposal is adopted or not.

Until the official announcement of the voting results, the Company, the vote counters, the scrutineers, the major shareholders, the service provider and other parties involved in the on-site and other voting methods at the shareholders' meeting shall be subject to an obligation of confidentiality.

**Article 93** Shareholders who attend the shareholders' meeting shall take one of the following stances when a resolution is put forward for voting: for, against or abstain. Any unfilled, improperly filled or illegible votes or votes that are not cast shall be considered as abstentions from voting by the shareholders. The shares they hold shall be counted as "abstentions" in the voting results. Except where the securities registrar and clearing institution act as the nominal holder (if any) of shares under the connection mechanism of the Mainland and Hong Kong stock markets and makes a declaration in accordance with the intention of the actual holder.

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

**Article 94** If the chairman is in any doubt as to the result of the resolution submitted for voting, he may organize a count of the votes cast; if the chairman fails to conduct a vote count and a shareholder or a shareholder's proxy present at the meeting objects to the announcement of the result by the chairman, he shall be entitled to demand a count immediately after the announcement of the result of the vote, and the chairman shall organize a vote count immediately. The results of vote counting at the shareholders' meeting shall be recorded in the minutes of the meeting. Such minutes of meeting, together with the signatures of the shareholders attending the meeting and the powers of attorney of proxies, shall be kept at the domicile of the Company.

**Article 95** Resolutions of the shareholders' meeting shall be announced in a timely manner in accordance with the relevant laws, regulations, departmental rules, regulatory documents, the Hong Kong Listing Rules or these Articles of Association. Such announcement shall specify the number of shareholders and proxies present at the meeting, the total number of voting shares held by them, the percentage of such voting shares in relation to all the voting shares of the Company, the total number of shares required by the Hong Kong Listing Rules to abstain from voting in favor and/or abstain from voting (if any), whether shareholders required to abstain from voting have in fact abstained, the voting method, the voting result of each proposal and the details of each resolution adopted and other content required under the Hong Kong Listing Rules.

The Company shall appoint its accountant, the share registrar or an external accountant who is qualified to be an auditor as the scrutineer for vote counting, and state the identity of the scrutineer in the announcement. The Company shall state in the announcement whether the persons who indicated in the circular the intention to vote against or abstain from voting for the relevant resolutions have acted accordingly at the shareholders' meeting. The Company shall disclose the attendance of directors at the shareholders' meeting in the announcement of voting results.

**Article 96** If any proposal is not passed or the current shareholders' meeting amends the resolution of the last shareholders' meeting, special reminder shall be given in the announcement of the resolutions of the shareholders' meeting.

**Article 97** If the shareholders' meeting adopts the relevant proposals for the election of directors, the new directors shall assume office on the date of adoption of the resolution at the shareholders' meeting or the effective date of their appointment as contained in the relevant resolution, until the expiration of the term of office of the current or new session of the Board.

**Article 98** If the shareholders' meeting adopts the proposal on distribution of cash dividends, bonus shares or capitalization of capital reserves, the Company will implement the specific plan within two months after the shareholders' meeting.

## CHAPTER 5 BOARD OF DIRECTORS

### Section 1 Directors

**Article 99** The directors of the Company shall be natural persons. A person who falls under any of the following circumstances may not serve as a director of the Company:

- (I) a person who has no civil capacity or has limited civil capacity;
- (II) a person who has been subject to criminal penalties due to corruption, bribery, embezzlement or misappropriation of property or sabotaging the socialist market economic order, or has been deprived of political rights due to a crime, and less than five years have passed since the expiration of the sentence; or if probation was granted, less than two years have passed since the expiration of the probation period;
- (III) a person who served as a director, the factory chief, or the manager of a company or enterprise which was declared bankrupt and liquidated, and was held personally liable for the bankruptcy, and is within three years of the date of completion of the bankruptcy or liquidation of such company or enterprise;
- (IV) a person who has served as the legal representative of a company or enterprise whose business license was revoked or which was ordered to close down due to any violation of law, and was held personally liable for the revocation, and is within three years of the date on which the business license of such company or enterprise was revoked or such company or enterprise was ordered to close;
- (V) a person who has defaulted on a personal debt in a significant amount and has been listed as a dishonest debtor by the people's court;
- (VI) a person who has been banned from entering the securities market by the CSRC and the ban has not expired;
- (VII) a person who is banned from doing so as prescribed by laws, administrative regulations, departmental rules or relevant securities regulatory rules of the place where the Company's shares are listed.

If a director is elected or appointed in violation of the preceding paragraph, such election, appointment or employment shall be null and void.

The Company shall dismiss a director from office if the circumstances under first paragraph of this Article arise during his or her term of office.

**Article 100** Directors shall be elected or replaced at the shareholders' meeting. The term of office of a director shall be three years, and a director is eligible for re-election upon the expiration of the term of office. In case the term of office of any independent non-executive director exceeds six years, the term of office of the director shall only be renewed after fulfilling the corresponding review procedures as stipulated by the Hong Kong Listing Rules. Employee representative directors shall be democratically elected by the employees of the Company through the employee representative meeting, employee meeting, or other forms, and shall not be subject to consideration and approval by the shareholders' meeting.

The term of office of a director shall be calculated from the date of assumption of office until the expiration of the term of office of the current session of the Board. In the event re-election is not held in time upon the expiry of the term of office of directors, the original directors shall fulfill the duties of directors according to laws, administrative regulations, departmental rules and these Articles of Association before the newly elected directors assume office.

Without violating the laws, administrative regulations and regulatory provisions of the place where the Company's shares are listed, if the Board appoints any new director to fill any casual vacancy of the Board or to increase the number of members on the Board, the term of office of the newly appointed director shall expire on the first shareholders' meeting after the appointment. At such time, such director shall be eligible for re-election.

The general manager or other senior management may concurrently serve as a director, provided that the total number of directors who also hold the position of general manager or other senior management and employee representative directors shall not exceed one-half of the total number of directors of the Company.

Directors are not required to hold shares of the Company.

**Article 101** Directors shall assume a duty of loyalty to the Company, shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not utilize their duties and powers to gain undue advantage. Directors shall abide by laws, administrative regulations and these Articles of Association as well as the provisions of the Hong Kong Listing Rules and safeguard the interests of the Company:

- (I) Directors shall not take advantage of their powers to receive any bribes or other illegal income;
- (II) Directors shall not use their position to impair the interests of the Company for the benefit of the actual controllers, shareholders, employees, themselves or other third parties of the Company;

- (III) Directors shall not misappropriate funds of the Company or seize properties of the Company;
- (IV) Directors shall not deposit any assets or funds of the Company in any accounts opened in their own names or in the name of any other persons;
- (V) Without the consent of the shareholders' meeting or the Board, directors of the Company shall not lend any funds of the Company to other persons or provide guarantee for any other persons with the assets of the Company in violation of these Articles of Association;
- (VI) Directors shall not enter into any contracts or transactions with the Company in violation of the provisions of these Articles of Association or without the consent of the shareholders' meeting;
- (VII) Without the consent of the shareholders' meeting, directors shall not take advantage of their position to pursue any business opportunities that should belong to the Company for themselves or other persons and shall not operate the same type of business as the Company on their own or for others;
- (VIII) Directors shall not pocket commissions from the transactions with the Company;
- (IX) Directors shall not disclose any confidential information of the Company without authorization;
- (X) Directors shall not utilize its related party relationship to compromise the interest of the Company;
- (XI) Directors shall safeguard the Company's financial security, shall not assist in or connive at the embezzlement of Company's assets by the controlling shareholder or its affiliates;
- (XII) Directors shall bear other obligations of loyalty specified by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and these Articles of Association.

When entering into a contract or transaction with the Company directly or indirectly, directors shall report the matters relating to the entering of the contract or transaction to the Board or the shareholders' meeting, and the contract or transaction shall be subject to the approval of the Board or the shareholders' meeting in accordance with the provisions of these Articles of Association.

The provisions of the preceding paragraph shall apply to the entering of contracts or transactions with the Company by close family members of the directors, enterprises directly or indirectly controlled by the directors or their close family members, and associates who have other affiliations with the directors.

Directors shall not use their positions for personal benefit or for others' benefit to seize business opportunities that should belong to the Company. However, the foregoing shall not apply if any of the following circumstances exists:

- (I) This issue has been reported to the Board or the shareholders' meeting, and approval has been granted through a resolution of the Board or the shareholders' meeting in accordance with the provisions of these Articles of Association;
- (II) The Company is unable to avail itself of such business opportunity pursuant to the provisions of laws, administrative regulations, or these Articles of Association.

Directors and senior management shall not engage in the same type of businesses as the Company, either for his own benefit or for the benefit of others, without reporting to the Board or a shareholders' meeting and being approved by a resolution of the Board or the shareholders' meeting.

When the Board makes resolutions on matters stipulated in this Article, the related directors shall not participate in voting, and their voting rights shall not be counted in the total number of votes. If the number of unrelated directors attending the Board meeting is less than three, the matter shall be submitted to the shareholders' meeting for consideration.

Any income derived by a director from violating the provisions of this Article shall belong to the Company. The director shall also be liable for the compensation of the losses suffered by the Company as a result thereof.

**Article 102** Directors shall comply with the requirements of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and these Articles of Association, fulfill their obligations with reasonable care generally due to managers in the best interests of the Company, and bear the following duty of due diligence to the Company:

- (I) Directors shall prudently, seriously and diligently exercise rights conferred by the Company to ensure that the business activities of the Company are in compliance with the requirements of laws, administrative regulations and various economic policies of the State and that the business activities shall not exceed the scope of business specified in the business license of the Company;

- (II) Directors shall fairly treat all shareholders of the Company;
- (III) Directors shall learn about the status of business and management of the Company in a timely manner;
- (IV) Directors shall issue a written confirmation of opinions for regular reports of the Company and ensure the authenticity, accuracy and completeness of information disclosed by the Company; If directors cannot guarantee the truthfulness, accuracy and completeness of the contents of securities issuance documents and regular reports or disagree with these contents, they shall express their opinions and state reasons in the written confirmation and the Company shall disclose them. Where the Company refuses to disclose the same, directors may apply for disclosure directly;
- (V) Directors shall truthfully provide the relevant information and materials to the Audit Committee, and shall not hinder the Audit Committee from exercising their powers;
- (VI) Directors shall fulfill other duties of due diligence stipulated by laws, administrative regulations, departmental rules, the CSRC, the Hong Kong Stock Exchange, the Hong Kong Listing Rules, and these Articles of Association.

Where a controlling shareholder or the actual controller of the Company does not serve as a director of the Company but actually executes the Company's affairs, the provisions of these Articles of Association regarding the duty of loyalty and diligence of directors shall apply.

**Article 103** Any director (other than independent non-executive directors) who fails to attend two consecutive meetings of the Board in person and fails to appoint any other directors to attend on his behalf shall be deemed to be unable to perform his or her duties. The Board shall propose to the shareholders' meeting to remove such director. If any independent non-executive director has not attended the Board meetings in person for three times consecutively, the Board shall propose to the shareholders' meeting for the removal of such independent non-executive director.

**Article 104** A director may resign before the expiration of his or her term of office. The director shall submit a written resignation report to the Board. The Board will disclose such information in accordance with applicable laws and regulations and the requirements of the Hong Kong Listing Rules.

If the number of directors falls below the statutory minimum because re-election is not timely conducted upon expiry of the term of office of a director, or due to the resignation of a director during his term of office, then such director shall continue to

perform his/her duties in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and these Articles of Association until a new director is elected and assumes his/her office.

Except for the circumstances specified in the preceding paragraph, the resignation of the director shall become effective when the resignation report is delivered to the Board.

Where unless otherwise provided by relevant laws, administrative regulations, relevant regulations of the security regulatory authorities in the place where the Company's shares are listed, a director can be removed by ordinary resolution passed on a shareholders' meeting before the expiry of his term of office (but such removal does not prejudice the director's claim for damages pursuant to any contract).

**Article 105** On a director's resignation becoming effective or the expiration of the tenure of his/her office, the director shall complete all handover procedures, and his/her faithful obligations to the Company and the shareholders shall remain valid for two years after the termination of their tenure, and shall not cease immediately after the termination of their tenure. A director's obligation to maintain confidentiality of the Company's commercial and technical secrets shall remain in force after the termination of his or her term until such secrets become public information. The duration of other loyalty obligations will be determined by the Company in accordance with the principle of fairness. After resignation, a director shall not use the core technology of the Company to engage in the same or similar business as the Company.

**Article 106** Unless otherwise specified in these Articles of Association or duly authorized by the Board, no director shall act on behalf of the Company or the Board in his personal capacity. When a director acts in his or her personal capacity, and a third party may reasonably believe that such director is acting on behalf of the Company or the Board, the director shall declare his or her stance and capacity in advance.

**Article 107** If the Company suffers any losses due to a director's violation of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles of Association in fulfilling their duties, the director shall be liable for compensation.

**Article 108** The Company has independent non-executive directors. Except as otherwise provided in this section, the qualifications and obligations of directors under Chapter V of these Articles of Association shall apply to independent non-executive directors, unless otherwise stipulated by the relevant laws, regulations and the listing regulatory rules of the place where the Company's shares are listed for the qualifications and obligations of the independent non-executive directors.

**Article 109** The matters relating to independent non-executive directors of the Company shall be carried out according in accordance with the law, administrative regulations and regulations of the relevant regulatory authorities and stock exchange, and shall be regulated in detail in the working regulations for independent non-executive directors of the Company.

The Company and its senior management shall actively cooperate with the independent non-executive directors in performing their duties. Reasonable expenses incurred by the independent non-executive directors in exercising their powers shall be borne by the Company.

**Article 110** The Company has established an evaluation mechanism for independent non-executive directors to assess the performance of their statutory duties, maintenance of independence, attendance of meetings, actual working hours and participation in training by independent non-executive directors.

At the annual shareholders' meeting of the Company, independent non-executive directors shall submit their yearly work reports, make a statement on their fulfilment of duties, and pay special attention to the internal control and standardized operation of the Company, protection of rights and interests of small and medium-sized investors, and other matters relating to the governance of the Company.

## Section 2 Board of Directors

**Article 111** The Company shall set up a Board which shall be accountable to the shareholders' meeting. The Board shall conscientiously perform its duties stipulated in relevant laws, administrative regulations, departmental rules, normative documents and these Articles of Association, and ensure that the Company complies with the provisions of laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and these Articles of Association. All shareholders shall be treated equally and the Board shall safeguard the legal rights of other stakeholders.

**Article 112** The Board consists of six directors, including three independent non-executive directors, who were elected by the Shareholders' Meeting, and one employee representative director. At any time, the number of independent non-executive directors shall not be less than three and shall account for more than one-third of the total number of the Board. At least one of the Company's independent non-executive directors has appropriate accounting or related financial management expertise. Independent non-executive directors should have sufficient commercial or professional experience to perform their duties, carry out duties faithfully, safeguard the interests of the Company and pay close attention to the protection of the legal rights and interests of the public shareholders from detriment, to ensure that the interests of all shareholders are adequately represented. At least one independent non-executive director is ordinarily resident in Hong Kong.

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

- (I) to be responsible for the convening of shareholders' meetings and report its work to the shareholders' meetings;
- (II) to implement resolutions of the shareholders' meetings;
- (III) to decide on the Company's business plans and investment plans;
- (IV) to formulate the Company's annual financial budgets and final accounts;
- (V) to formulate the Company's profit distribution proposals and loss recovery proposals;
- (VI) to formulate proposals for the increase or reduction of the Company's registered capital, the issue of bonds or other securities and listing plans;
- (VII) to formulate plans for material acquisitions, purchase of shares of the Company or merger, division, dissolution and change of corporate form of the Company;
- (VIII) to approve related party (connected) transactions, external investment, asset mortgages, external financing and external donations that should be approved by the Board as stipulated in the listing rules of the stock exchange in the place where the Company's shares are listed;
- (IX) to consider and approve external guarantee matters other than those that need to be considered and approved by the shareholders' meeting of the Company;
- (X) to review the purchase and sale of assets other than those that require review and approval by the shareholders' meeting of the Company;
- (XI) to decide on establishment of the Company's internal management organizations;
- (XII) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board and other senior management, and decide on their remuneration, rewards and punishments; to decide on the appointment or dismissal of the Company's deputy general manager, chief financial officer and other senior management based on the nomination of the general manager, and decide on their remuneration, rewards and punishments;
- (XIII) to formulate the basic management system of the Company;

- (XIV) to formulate plans for the establishment of special committees under the Board and submit them to the shareholders' meeting for approval, and to decide on the selection and appointment of personnel of the special committees under the Board;
- (XV) to formulate proposals for any amendment to these Articles of Association;
- (XVI) to manage the information disclosure of the Company;
- (XVII) to propose to the shareholders' meeting the appointment or replacement of an accounting firm that audits the Company;
- (XVIII) to listen to the work report of the general manager of the Company and inspect the work of the general manager;
- (XIX) other functions and powers conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles of Association.

Matters beyond the scope of authorization for approval by the shareholders' meeting as prescribed in the preceding paragraph of this Article, as well as matters required to be submitted to the shareholders' meeting for consideration and approval pursuant to laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and these Articles of Association shall be submitted by the Board to the shareholders' meeting for consideration and approval.

**Article 114** Transactions of the Company (excluding related party (connected) transactions, financial assistance, provision of guarantees, or other transactions of the Company that do not involve any payment of consideration or attach any obligations, such as receiving monetary assets as gifts or obtaining waiver of debts) meeting the following criteria according to the definitions and relevant calculation methods under the Hong Kong Listing Rules shall be submitted to the Board for consideration:

- (I) share transactions;
- (II) disclosable transactions;
- (III) major transactions;
- (IV) very substantial disposals;
- (V) very substantial acquisitions;
- (VI) reverse takeovers.

“Transactions” as mentioned above in this article include the purchase or disposal of assets; external investment (including entrusted financial management, investment in subsidiaries, etc.); leasing of assets; asset and business management as consignor or consignee; giving or receiving gifts of assets; external donations; credit and debt reorganization; conclusion of franchise agreements; transfer of research and development projects as transferor or transferee; the grant, acceptance, transfer, exercise, termination or waiver of rights (including the waiver of the first right of refusal and the right of first offer), etc. The aforesaid transactions exclude the following transactions relating to daily business operations of the Company: purchase of raw materials, fuels and power; receipt of services; sale of products and goods; provision of services; contracting of projects and other transactions relating to daily business operations. However, any transactions mentioned above that are involved in an asset swap shall be included. Transactions of the Company as stipulated in the preceding paragraph and transactions and connected transactions relevant to daily operations that meet the standards of disclosable transactions under the Hong Kong Listing Rules shall be submitted to the Board for approval.

The amounts of transactions as mentioned in this article shall be calculated with reference to the relevant provisions in Chapter 14 of the Hong Kong Listing Rules.

**Article 115** The Board of the Company shall review and assess the protection of shareholders’ interests by the Company’s governance mechanism and the legality and effectiveness of the Company’s governance structure.

**Article 116** The Board of the Company shall make an explanation to the shareholders’ meeting on the non-standard audit opinion issued by the certified public accountant on the Company’s financial report.

**Article 117** The Board formulates the rules of procedure of Board meetings to ensure that the Board implements the resolutions of the shareholders’ meeting, improves work efficiency, and ensures scientific decision-making.

**Article 118** The Board shall have one chairman, who shall be elected by the Board with approval from more than half of all the directors.

**Article 119** The chairman of the Board shall exercise the following powers:

- (I) to preside over the shareholders’ meeting and convene and preside over the meetings of the Board;
- (II) to supervise and inspect the implementation of the resolutions of the Board;
- (III) to execute the certificates of shares, bonds and other negotiable securities of the Company;
- (IV) to sign major documents of the Board;

- (V) in the event of an emergency caused by force majeure such as exceptionally severe natural disasters, to exercise special handling powers over the Company's affairs in compliance with laws and in the interests of the Company, and to report thereafter to the Board and the shareholders' meeting;
- (VI) other functions and powers as required by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and these Articles of Association or conferred by the Board.

**Article 120** The chairman of the Board shall make decisions prudently in the event of matters that may have a significant impact on the Company's operations when exercising powers within the scope of his duties and powers (including authorization), and shall submit them to the Board for collective decision-making when necessary. The chairman of the Board shall inform all directors of the implementation of the delegated matters in a timely manner.

If the chairman is unable to perform his duties or fails to perform his duties, more than half of the directors shall jointly nominate one director to perform his duties.

**Article 121** Meetings of the Board shall be held at least four times a year, which shall be convened by the chairman of the Board and shall be notified to all directors in writing (such as personal delivery, post, fax, etc.), by telephone, e-mail, etc. 14 days before the meeting (excluding the date of the meeting).

**Article 122** Shareholders representing more than one-tenth of the voting rights, or more than one-third of the directors or the Audit Committee may propose to convene an extraordinary meeting of the Board when deemed necessary. The chairman of the Board shall convene and preside over the Board meeting within 10 days after receiving the proposal.

**Article 123** The notice of an extraordinary meeting of the Board shall be in writing (including by hand, by post, by fax, etc.) or by telephone. The time limit for the notice is as follows: 5 days before the meeting is convened, all directors, the general manager and the secretary to the Board shall be notified. If an extraordinary meeting of the Board needs to be convened as soon as possible in an emergency, a notice of the meeting may be given by telephone or other verbal means, and the meeting shall be convened immediately, provided that the convener shall make an explanation at the meeting.

**Article 124** The notice of the Board meeting shall include the following:

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

(IV) the date on which the notice is issued.

**Article 125** A meeting of the Board shall be held only when more than half of the directors are present. A resolution of the Board must be passed by more than half of all directors.

As for the voting on a Board resolution, each director shall have one vote only.

**Article 126** Where a director, general manager and other senior management of the Company has a material interest, directly or indirectly, in a contract, transaction or arrangement entered into or planned to enter into with the Company (except for the employment contract between the Company and the director, general manager or other senior management), the nature and extent of such interest shall be disclosed to the Board as soon as possible, regardless of whether the relevant matter normally requires the approval of the Board. Where a director or his/her associate (as defined in the Listing Rules of the Hong Kong Stock Exchange in force from time to time) has a connection or interest in a matter or enterprise involved in a resolution of a meeting of the Board, except as permitted by laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, (i) such director shall not exercise voting rights on such resolution, nor shall he/she exercise voting rights on behalf of other directors; (ii) such director shall not be counted in determining whether a quorum is present at such meeting of the Board, and such Board meeting may be held with the attendance of more than half of the unconnected directors, and resolutions made at such Board meeting shall be approved by more than half of the unconnected directors; (iii) if the number of unconnected directors present at the Board meeting is less than 3, such matter shall be submitted to the shareholders' meeting for deliberation. The Board's vote on "connected transactions" under the Listing Rules of the Hong Kong Stock Exchange should comply with relevant provisions of the Listing Rules of the Hong Kong Stock Exchange.

**Article 127** The resolution of the Board shall be voted on in writing unless more than half of the directors present at the meeting agree to vote by a show of hands.

On the premise of ensuring that directors can fully express their opinions, an extraordinary meeting of the Board may be held in writing (including delivering meeting materials by hand, by post, by fax, by email, etc.) or by telephone conference (or with the help of similar communication equipment) instead of holding an on-site meeting. The secretary to the Board shall prepare the Board resolution after the meeting and submit it to the attending directors for signature.

The directors shall sign the resolutions of the Board and shall be responsible for the resolutions of the Board. If the resolution of the Board violates the laws, regulations or these Articles of Association and causes the Company to suffer losses, the directors participating in the resolution shall be liable for compensation to the Company. However, if it is proved that a director had expressed objections during the vote and they were recorded in the meeting minutes, the director may be exempted from liability.

**Article 128** The Board meetings shall be attended by the directors in person; if a director is unable to attend for any reason, they shall prudently select and entrust other directors in writing to attend and vote on their behalf. Independent non-executive directors should entrust other independent non-executive directors to attend on their behalf. The power of attorney shall state the name of the agent, the matters to be handled, the scope of authorization and the validity period, and shall be signed or sealed by the principal. Where voting matters are involved, the principal shall expressly state their agreement, disagreement or abstention on each matter in the power of attorney. A director shall not make or accept a proxy without voting intention, a discretionary proxy or a proxy with an unclear scope of power. No director shall be entrusted by more than two directors to attend the Board meeting on their behalf. The directors attending the meetings on behalf of others shall exercise the rights of directors within the scope of authorization.

If a director fails to attend the meeting of the Board and is unable to entrust another director to attend the meeting on his/her behalf, the Board shall provide electronic means of communication to ensure that such director can perform his duties. If a director fails to attend a meeting of the Board and does not entrust a representative to attend the meeting, he/she shall be deemed to have waived his/her rights to vote at such meeting.

**Article 129** The Board shall make minutes of the decisions on the matters discussed at the meeting, and the directors, the Board secretary and the recorder who attended the meeting shall sign the minutes. Directors shall be responsible for the resolutions of the Board. If the resolution of the Board violates the law, administrative regulations or these Articles of Association, causing the Company to suffer serious losses, the directors who participated in the resolution shall be liable for compensation to the Company. However, if it is proved that the director had expressed objections during the vote and they were recorded in the meeting minutes, the director may be exempted from liability.

Minutes of the Board meetings shall be kept as company files for a period of no less than 10 years.

**Article 130** The minutes of the Board meetings shall include the following:

- (I) the date, location and name of the convener of the meeting;
- (II) the names of the directors present and the names of the directors (agents) entrusted by others to attend the Board meeting;
- (III) the agenda of the meeting;
- (IV) the main points of the directors' speeches;
- (V) the voting method and results of each resolution (the voting results shall state the number of votes for, against or of abstention).

**Article 131** The Board shall actively provide new directors with the opportunity to participate in the trainings organized by the securities regulatory authorities, and urge the directors to become familiar with the spirit of the relevant laws, regulations and normative documents related to the performance of their duties as soon as possible.

### Section 3 Special Committees

**Article 132** The Board of the Company has established an audit committee to exercise the functions and authorities of the Supervisory Committee as stipulated in the Company Law.

**Article 133** The Audit Committee shall consist of three or more directors who are not senior management of the Company, and the number of members shall be in odd number. All members shall be non-executive directors and the majority of the members shall be independent non-executive directors. Among the members, at least one independent non-executive director shall possess the appropriate professional qualifications as required under the Hong Kong Listing Rules, or be an independent non-executive director with appropriate accounting or relevant financial management expertise.

**Article 134** The Audit Committee shall be responsible for the Company's financial information and the disclosure thereof, as well as the supervision and assessment of internal and external audit work and internal controls. The following matters shall be submitted to the Board for consideration after the approval by more than half of all the members of the Audit Committee:

- (I) to disclose financial information and internal control evaluation reports in financial accounting reports and periodic reports;
- (II) to engage or dismiss the accountants who undertake the Company's audit work;
- (III) to appoint or dismiss the Company's financial officer;
- (IV) changes in accounting policies, accounting estimates, or correction of major accounting errors due to reasons other than changes in accounting standards;
- (V) other matters as stipulated by laws and regulations, regulatory rules for securities where the Company's shares are listed and the Articles of Association.

**Article 135** The Audit Committee shall convene at least one meeting every quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the Audit Committee shall only be held with the attendance of more than two-thirds of the members.

The resolution(s) proposed by the Audit Committee shall be passed by more than half of the members of the Audit Committee.

The voting on the resolution of the Audit Committee shall be on a one-person one-vote basis.

The Audit Committee shall prepare meeting minutes for its resolutions in accordance with the regulations, and the members of the Audit Committee attending the meeting shall sign on the meeting minutes.

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

**Article 136** The Board of the Company shall establish a nomination committee, a remuneration committee, and a strategy and ESG committee, which shall perform their duties in accordance with these Articles of Association and the authorisation of the Board. The proposals of the special committees shall be submitted to the Board for review and decision. The working procedures of the special committees shall be formulated by the Board. All members of the special committees shall be directors. The convenor/chairman of the Nomination Committee and the Remuneration Committee shall be an independent non-executive director who is a member of the Nomination Committee, and shall be appointed by the Board. The convenor/chairman of the Strategy and ESG Committee shall be the chairman of the Company.

**Article 137** The Nomination Committee shall be responsible for drawing up the criteria and procedures for selecting directors and senior management, selecting and reviewing the candidates for directors and senior management and their qualifications for office, and making recommendations to the Board on the following matters:

- (I) to nominate or appoint and dismiss directors;
- (II) to appoint or dismiss senior management;
- (III) other matters stipulated by laws, administrative regulations, the Listing Rules, the relevant regulatory rules of the securities regulatory authorities and stock exchanges in the places where the shares of the Company are listed, and the Articles of Association.

The Board shall record and disclose in its resolutions the opinion of the Nomination Committee and the specific reasons for not adopting or fully adopting the recommendations of the Nomination Committee.

**Article 138** The Remuneration Committee shall be responsible for formulating the appraisal standard and conducting appraisal for directors and senior management, formulating and reviewing the remuneration policies and schemes of directors and senior

management, including the mechanism for determining remuneration, decision-making procedures, payment, stop-payment and clawback arrangements, and shall make recommendations to the Board on the following matters:

- (I) remuneration of directors and senior management;
- (II) to formulate or change share incentive plan, employee share ownership plan, grant rights and benefits to employee participants, and achieve the conditions for exercising rights and benefits;
- (III) arrangements for directors and senior management to participate in shareholding schemes in a proposed subsidiary to be spun off;
- (IV) other matters stipulated by laws, administrative regulations, provisions of the CSRC, the listing rules of the stock exchange where the shares of the Company are listed, and the Articles of Association.

The Board shall record and disclose in its resolutions the opinion of the Remuneration Committee and the specific reasons for not adopting or fully adopting the recommendations of the Remuneration Committee.

**Article 139** The Strategy and ESG Committee shall be responsible for matters relating to the Company's strategic planning and sustainable development (ESG), promoting the integration of strategic and ESG objectives, and enhancing the long-term value and social responsibility of the Company, and shall make recommendations to the Board on the following matters:

- (I) to formulate, evaluate, adjust and implement the Company's medium- and long-term strategy;
- (II) to propose plans for the Company's business development, layout adjustments or major investments/mergers and acquisitions;
- (III) to propose special discussions on the progress of the Company's strategy implementation and ESG promotion (such as in the semi-annual report/annual report);
- (IV) relevant matters stipulated by laws, administrative regulations, provisions of the CSRC, the listing rules of the stock exchange where the shares of the Company are listed, and the Articles of Association.

**Article 140** The Board shall be responsible for formulating rules of procedure for each special committee and regulating the composition, powers and functions, procedures and other matters of the special committees. Each special committee may engage an intermediary agency to provide professional advice at the Company's expense.

## CHAPTER 6 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT

**Article 141** The Company shall have one general manager, who is nominated by the chairman and appointed or dismissed by the Board. The Company may have several deputy general managers according to business and management needs, who are appointed or dismissed by the Board.

The general manager, deputy general manager(s), chief financial officer and secretary to the Board are the Company's senior management.

**Article 142** The provisions of these Articles of Association regarding the prohibition of serving as a director and the duties of loyalty and diligence of directors also apply to senior management.

**Article 143** Personnel who hold administrative positions other than directors in an entity controlled by the Company's controlling shareholder or actual controller shall not serve as senior management of the Company. Senior management of the Company shall only receive salary from the Company and shall not be paid by the controlling shareholder on its behalf. Senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If senior management of the Company fail to faithfully perform their duties or violate the obligation of good faith, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the law.

**Article 144** The term of office of the general manager is 3 years, and the general manager can be re-appointed.

**Article 145** The general manager is accountable to the Board and exercises the following powers:

- (I) to preside over the Company's production and operation management, organize and implement the resolutions of the Board, and report to the Board;
- (II) to organize and implement the Company's annual operating plan and investment plan; and to implement the Company's financial budget plans;
- (III) to formulate the Company's internal management organization establishment plan;
- (IV) to formulate the Company's basic management system;
- (V) to formulate the Company's specific regulations;
- (VI) to propose to the Board to appoint or dismiss the Company's deputy manager and financial director;

- (VII) to decide to appoint or dismiss management personnel other than those who should be appointed or dismissed by the Board;
- (VIII) to decide on matters such as external guarantees, external investments, external financing, purchase or sale of assets, asset mortgages, and related party (connected) transactions, which are not required to be submitted to the shareholders' meeting, the Board and the chairman for approval;
- (IX) other functions and powers granted by these Articles of Association and the Board and the chairman.

The general manager may attend the Board meetings, but the general manager, not being a director, shall not have the right to vote at the meetings of the Board.

**Article 146** The general manager shall report to the Board on the signing, implementation, use of funds and profit or loss of the Company's material contracts at their request. The general manager must ensure the authenticity of the report.

**Article 147** The general manager shall formulate the working rules of the general manager, which shall be implemented after the approval of the Board. The working rules of the general manager include the following:

- (I) conditions, procedures and attendees of the general manager meeting;
- (II) the specific duties and division of labor of the general manager and other senior management;
- (III) the use of the Company's funds and assets, the authority to sign material contracts, and the reporting system to the Board;
- (IV) other matters as deemed necessary by the Board.

**Article 148** The general manager may resign before the end of his/her term. The specific procedures and methods for the resignation of the general manager are stipulated in the labor contract between the general manager and the Company.

**Article 149** The Company has several deputy general managers, who are nominated by the general manager and appointed or dismissed by the Board. The deputy general managers are directly accountable to the general manager, report to him/her, and perform relevant duties in accordance with the setup of the Company's internal management structure.

The deputy general manager assists the general manager in his/her work. The appointment and removal procedures and powers of the deputy general manager are stipulated in the working rules of the general manager.

**Article 150** The general manager may resign before the end of his/her term. The specific procedures and methods for the resignation of the general manager are stipulated in the labor contract between the general manager and the Company.

**Article 151** The Company has a Board secretary who is responsible for the preparation of the shareholders' meetings and Board meetings of the Company, file keeping, and shareholder information management, as well as handling information disclosure matters.

**Article 152** The Board secretary should be a natural person with the necessary professional knowledge and experience and must meet the requirements under the listing rules of the place where the Company's shares are listed. The Board secretary is nominated by the chairman of the Board and appointed or dismissed by the Board. Each term of office shall be three (3) years, renewable upon re-appointment. The provisions of these Articles of Association concerning the circumstances under which a person is disqualified from serving as a director of the Company shall equally apply to the secretary to the Board. The appointment and removal of the secretary to the Board shall comply with the listing rules of the place where shares of the Company are listed.

**Article 153** A director or senior management of the Company may concurrently serve as the secretary to the Board of the Company. A certified public accountant of the accounting firm or a lawyer of the law firm engaged by the Company shall not serve concurrently as secretary to the Board.

Where a director concurrently serves as the secretary to the Board of the Company, if any act is required to be carried out separately by a director and the secretary to the Board, the person serving in both capacities shall not perform such act in a dual capacity.

**Article 154** When exercising their powers, senior management shall perform their duties of honesty and diligence in accordance with the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and these Articles of Association.

If senior management violate the provisions of laws, administrative regulations, departmental rules or these Articles of Association when performing their duties and cause losses to the Company, they shall be liable for compensation.

**Article 155** Senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If senior management of the Company fail to faithfully perform their duties or violate their obligations of honesty and cause damage to the interests of the Company and public shareholders, they shall bear liability for compensation in accordance with the Law.

**Article 156** A senior manager shall submit a written resignation report when resigning. The senior manager shall state in the resignation report the time of resignation, the reason for resignation, the position resigned, whether he/her will continue to work in the Company after resignation (if he or she continues to work, he or she shall state the situation of his or her continued employment), etc. If the reason for resignation may involve violations of laws and regulations or irregular operations by the Company or other directors, and senior managers, the senior manager who proposes to resign shall report to the Board in a timely manner.

The resignation of a senior manager shall take effect when his/her resignation report is delivered to the Board. He/she shall ensure a proper handover of work when leaving the Company to ensure the normal production and operation of the Company. His/her confidentiality obligations for the Company's secrets remain valid after his/her resignation or the end of his/her term of office until the secret becomes public information, and he/she shall strictly perform the obligations agreed with the Company such as prohibiting competition in the same industry.

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

### Section 1 Financial and Accounting System and Profit Distribution System

**Article 157** The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the provisions of the relevant authorities of the PRC.

**Article 158** The Company shall prepare financial and accounting reports at the end of each fiscal year, and such financial and accounting report shall be audited by an accounting firm in compliance with laws. Financial and accounting reports are prepared in accordance with laws, administrative regulations, departmental regulations and the Hong Kong Listing Rules.

**Article 159** The Company shall submit, disclose and/or deliver the annual report, interim report and preliminary results announcement and other documents to shareholders in accordance with laws, administrative regulations, the provisions of the CSRC and securities regulatory rules of the place(s) where the shares of the Company are listed.

**Article 160** The Board shall submit the financial report prepared by the Company under relevant laws, regulations, rules and regulatory documents to shareholders at each annual shareholders' meeting.

The financial report of the Company shall be kept at the Company and shall be made available to the shareholders 20 days before the annual shareholders' meeting is held.

**Article 161** The Company shall deliver the report mentioned above or the report of the Board together with the balance sheet (including all documents which are required to be attached to the balance sheet under the laws) and profit and loss statement or statement of income and expenditure to shareholders by any means permitted by the Hong Kong Stock Exchange (including but not limited to post, email, fax, announcement, etc.) at least 21 days before the convening of the annual shareholders' meeting. If sent by prepaid mail to the shareholders of H Shares, the address of the recipient shall be the registered address as shown on the register of shareholders. When the shareholders of H Shares meet the conditions required by laws, administrative regulations and requirements of Hong Kong securities regulatory authorities, delivery may be made by means of publication on the website of the Company, the website of the Hong Kong Stock Exchange and other websites prescribed by the Hong Kong Listing Rules from time to time.

**Article 162** The Company shall not establish any accounting books other than those required by law. No assets of the Company shall be deposited under any account opened in the name of any individual.

**Article 163** The Company shall, when distributing its after-tax profits of the year, withdraw 10% of the profits into the Company's statutory reserve fund. The Company may not withdraw a statutory reserve fund if the cumulative amount has reached 50% or more of the Company's registered capital.

If the Company's statutory reserve fund is insufficient to cover the losses of the preceding year, profit of the year shall be used to cover the losses before withdrawing the statutory reserve fund in accordance with the foregoing provision.

After the Company has withdrawn the statutory reserve fund from the after-tax profits, the Company may also withdraw a discretionary reserve fund from the after-tax profits upon the approval of the shareholders' meeting.

Any remaining after-tax profits after losses have been covered and the reserve fund has been allocated shall be distributed to the shareholders in proportion to their shareholdings, unless otherwise stipulated in these Articles of Association.

Where the shareholders' meeting distributes profits to shareholders before losses have been covered and the statutory reserve fund has been allocated, which is in violation of the foregoing provision, the shareholders concerned shall refund to the Company the profits distributed in violation of the foregoing provision.

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

**Article 164** The reserve fund of the Company shall be applied to make good the Company's losses, expand its business operations or increase its capital.

Upon the transfer of the statutory reserve fund into capital, the balance of the fund shall not be less than 25% of the registered capital of the company before such transfer.

**Article 165** After the shareholders' meeting of the Company adopts a profit distribution proposal by way of resolution, the Board shall complete the distribution of dividends (or shares) within two months of the convening of the shareholders' meeting. Any amount paid up in advance of calls on any shares may carry a dividend but the holder of such shares shall not be entitled to participate in respect thereof in a dividend subsequently declared.

Subject to the relevant laws, regulations, rules and regulatory documents, the Company may exercise the power to forfeit unclaimed dividends, provided that it does so only after the expiration of the applicable relevant period.

**Article 166** The Company may distribute dividends in the form of one of the following:

- (I) cash;
- (II) shares.

The cash dividend and other amounts paid by the Company to the shareholders of unlisted shares shall be denominated and declared in Renminbi and paid in Renminbi. The cash dividend and other amounts paid by the Company to the shareholders of H Shares shall be denominated and declared in Renminbi and paid in Hong Kong Dollars. The cash dividend and other amounts paid by the Company to the shareholders of H Shares shall be handled in accordance with any related national regulations on foreign exchange control.

**Article 167** The Company shall appoint a receiving agent for holders of H Shares. The receiving agent shall receive on behalf of such shareholders any dividends or other amounts payable by the Company to them in respect of H Shares. The receiving agent appointed by the Company for holders of H Shares listed in Hong Kong shall be a trust company registered pursuant to the Trustee Ordinance of Hong Kong and satisfy the requirements under the laws of the jurisdiction where the Company's shares are listed or the rules of such stock exchange.

## Section 2 Internal Audit

**Article 168** The Company shall adopt an internal audit system, which specifies the leadership mechanism, responsibilities and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit work.

The Company's internal audit system shall be implemented upon approval by the Board and disclosed to the public.

**Article 169** The Company's internal audit institution shall conduct supervision and inspection of the Company's business activities, risk management, internal controls, financial information and other matters.

**Article 170** The internal audit institution shall be accountable to the Board of Directors.

The internal audit institution shall accept the supervision and guidance from the Audit Committee in the course of supervising and inspecting the business activities, risk management, internal control and financial information of the Company. If the internal audit institution discovers relevant major issues or clues, it shall report directly to the Audit Committee immediately.

**Article 171** The internal audit institution shall be responsible for the specific organization and implementation of the internal control evaluation of the Company. The Company issues the annual internal control evaluation report based on the evaluation report and relevant materials issued by the internal audit institution upon audited by the Audit Committee.

**Article 172** When the Audit Committee communicates with external audit firms such as accounting firms and national audit agency, the internal audit institution shall actively cooperate and provide necessary support and collaboration.

### Section 3 Appointment of Accounting Firm

**Article 173** The Company shall appoint an accounting firm which complies with laws and regulations and the Hong Kong Listing Rules for carrying out the audit for the accounting statements, net asset verification and other relevant consultancy services. The term of appointment is 1 year commencing from the conclusion of each annual shareholders' meeting until the conclusion of the next annual shareholders' meeting, and the appointment may be renewed. The Company shall not appoint an accounting firm with which it is connected to audit the Company.

**Article 174** The appointment and dismissal of an accounting firm by the Company shall be subject to the approval of a shareholders' meeting. The Board may not appoint an accounting firm before the approval of the shareholders' meeting. The Audit Committee may make recommendations to the Board on the remuneration of the accounting firm or on determining the remuneration. The Audit Committee may, if necessary, engage a professional institution such as an accounting firm to assist in its work if it discovers that the Company's operating conditions are abnormal.

**Article 175** The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information, and that it will not engage in any refusal, withholding, or misrepresentation.

**Article 176** The remuneration of the accounting firm or method for determining its remuneration shall be approved by the shareholders' meeting. The remuneration of the accounting firm appointed by the Audit Committee shall be determined by the Audit Committee.

**Article 177** If the Company dismisses or no longer re-appoints the accounting firm, it shall notify such accounting firm 30 days in advance. When shareholders vote for the dismissal of the accounting firm, such accounting firm shall be entitled to state its opinions at the shareholders' meeting. Where the accounting firm resigns, it shall make clear to the shareholders' meeting whether or not there are irregularities in the Company.

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

- (I) prior to the delivery of the notice of the shareholders' meeting, such proposal regarding the appointment or dismissal shall be delivered to such accounting firm which is to be appointed or to leave, or which has left the office during the relevant accounting year. Leaving the office shall include dismissal, resignation and retirement.
- (II) in the event that the accounting firm leaving the position has made a written statement and requests the Company to inform the shareholders of such statement, the Company should adopt the following measures unless it has received the written statement too late:
  - 1. in the notice issued for making a resolution, it is expressly stated that the accounting firm leaving the position has made a statement;
  - 2. a photocopy of such statement shall be made as an attachment to the notice delivered to the shareholders in the manner as provided in these Articles of Association.
- (III) in the event that the Company fails to deliver the statement of the relevant accounting firm pursuant to the provisions of item (II) above, the relevant accounting firm may request to read out such statement at the shareholders' meeting and may further make an appeal.
- (IV) such accounting firm leaving the position shall be entitled to attend the following meetings:
  - 1. the shareholders' meeting at which its term of office is to expire;
  - 2. the shareholders' meeting for filling a vacancy caused by the dismissal of such accounting firm;

3. the shareholders' meeting convened due to the active resignation of such accounting firm.

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

## **CHAPTER 8 NOTICE AND ANNOUNCEMENT**

### Section 1 Notice

**Article 178** Notices of the Company shall be served by the following means:

- (I) by personal delivery;
- (II) by post;
- (III) by facsimile or email;
- (IV) by making an announcement on the websites designated by the Company and the stock exchanges of the places where the Company's shares are listed in accordance with laws, administrative regulations, departmental rules, normative documents, and the provisions of these Articles of Association;
- (V) by other means previously agreed between the Company and the recipient or accepted by the recipient after receiving notice;
- (VI) by other means approved by the securities regulatory authorities of the places where the Company's shares are listed or specified in these Articles of Association.

For the purpose of the method for the Company to furnish and/or send any corporate communications to shareholders of H Shares as required by the Hong Kong Listing Rules, subject to the laws, regulations and relevant listing rules of Hong Kong, all corporate communications may be sent or provided to such shareholders of H Shares through electronic means or by posting such information on the website, instead of by personal delivery or postage prepaid mail.

Corporate communications referred to in the preceding paragraph means any document issued or to be issued by the Company for the information or action of the shareholders of H shares of the Company or other individuals required under the Hong Kong Listing Rules, including but not limited to:

1. the annual report of the Company (including the report of the Board, annual accounts, audit report and the summary of the financial report of the Company (if applicable));

2. the interim report and the summary of the interim report of the Company (if applicable);
3. notices of meetings;
4. listing documents;
5. circulars;
6. proxy forms (as defined in the Hong Kong Listing Rules, for example, the Company may execute a form of proxy under the hand of a duly authorized officer). Where notices are given by way of announcements under authorization conferred by these Articles of Association, such announcements shall be published by the means specified in the Hong Kong Listing Rules.

**Article 179** These Articles of Association do not prohibit the giving of notices to shareholders whose registered addresses are outside Hong Kong. Where a notice of the Company is given by way of an announcement, the aforesaid notice shall be deemed as received by all relevant personnel once it is published. Where the securities regulatory authorities of the places where the Company's shares are listed have otherwise prescribed, such provisions shall prevail.

**Article 180** Unless otherwise provided for herein, such means of giving out notices as provided for in the previous article shall apply to notices of the Company regarding the convening of shareholders' meetings, Board meetings.

**Article 181** Should the Company's notice be given by personal delivery, the recipient shall sign (or chop) on the reply slip upon delivery and the receipt date of the recipient shall be the date of delivery. Should the Company's notice be delivered by post, a hard copy notice shall be deemed to have been delivered 48 hours after it is posted at the post office, and a notice sent by email shall be deemed to have been delivered on the day it is sent. Should the Company's notice be sent by facsimile, the date set out in the Company's facsimile transmission completion report shall be the date of delivery. Should the Company's notice be delivered in the form of an announcement, the first date of announcement shall be the date of delivery.

**Article 182** The accidental omission to give the notice of a meeting to, or the failure to receive the notice of a meeting by any person entitled to receive such notice, shall not invalidate the meeting or the resolutions passed thereat.

**Article 183** In the event that the relevant provisions of the securities regulatory authorities of the places where the Company's shares are listed require the Company to provide the relevant documents in an English version and a Chinese version by delivery, mail, distribution, issuance, publishing or other means, if the Company has made appropriate arrangements to confirm whether its shareholders intend to receive the English version only or the Chinese version only, and within the permissible scope of the applicable laws and regulations and pursuant to the applicable laws and regulations, the Company may (based on the intent stated by the shareholders) deliver the English version only or the Chinese version only to the relevant shareholders.

## Section 2 Announcement

**Article 184** The Company shall issue announcements and disclose information to shareholders of unlisted shares on the website of the Company and on the websites of the stock exchanges and the media that meets the conditions prescribed by the securities regulatory authority of the State Council according to the laws and regulations. If it is required to make announcements to the shareholders of H Shares pursuant to these Articles of Association, such announcements shall also be published in such manner as required by the Hong Kong Listing Rules.

The Company may not disclose information through other public media before such information is disclosed through designated newspapers and websites, and may not disclose information by way of press release, interview with reporters or other means in lieu of the announcement. Where a notice may be given by way of advertisement in accordance with relevant regulations, such advertisement may be published in newspapers.

The Board may change the newspapers for information disclosure, but shall ensure that the designated newspapers for information disclosure are allowed by the relevant laws and regulations and comply with the qualifications and conditions stipulated by the CSRC, overseas regulatory authorities and overseas securities exchanges.

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

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

**Article 185** The merger or division of the Company shall require the preparation of a proposal by the Board. After such proposal has been adopted in accordance with the procedures specified in these Articles of Association, relevant examination and approval procedures shall be carried out according to law.

**Article 186** Merger of the Company may take the form of absorption or establishment of a new company.

Absorption means that a company absorbs another company and the absorbed company will be dissolved. Where two or more companies merge into a new company, the original companies will be dissolved.

**Article 187** If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of adoption of the merger resolution and shall make an announcement in the newspapers within 30 days from the date of adoption of such resolution. A creditor may, within 30 days from the date of receipt of the written notice or, if he/she did not receive a written notice, within 45 days from the date of the announcement, require the Company to pay its debt to him/her in full or to provide commensurate security.

**Article 188** When the Company is merged, the claims and debts of each party to the merger shall be succeeded by the company surviving the merger or the new company established after the merger.

**Article 189** Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of adoption of the division resolution and shall make an announcement in the newspapers within 30 days from the date of adoption of such resolution.

**Article 190** Unless a written agreement has been entered into by the Company and its creditors in relation to the repayment of debts before division, liabilities of the Company prior to the division shall be jointly assumed by the surviving companies after division.

**Article 191** Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.

The registered capital of the Company after the reduction shall not be less than the statutory minimum amount.

**Article 192** Where there is a merger or division of the Company, the Company shall, in accordance with the laws, apply for a change in its registration with the company registration authority for any changes of its registered information caused thereby; where the Company is dissolved, the Company shall apply for cancellation of its registration in accordance with the laws; where a new company is established, the Company shall apply for registration of incorporation in accordance with the laws.

If the Company increases or reduces its registered capital, the Company shall, in accordance with the laws, apply for a change in registration with the company registration authority.

## Section 2 Dissolution and Liquidation

**Article 193** The Company shall be dissolved upon the occurrence of any of the following events:

- (I) the term of its operations specified in these Articles of Association has expired or other circumstance for dissolution specified in these Articles of Association has occurred;
- (II) the shareholders' meeting has resolved to dissolve the Company;
- (III) the merger or division of the Company requires a dissolution;
- (IV) the business license is revoked, or the Company is ordered to close or is cancelled in accordance with the law;
- (V) if the Company gets into serious trouble in operations and management and continuation may incur material losses to the interests of the shareholders, and no solution can be found through any other means, the shareholders holding ten percent or more of the total voting rights of the Company may request the people's court to dissolve the Company;
- (VI) The Company is legally declared insolvent due to its failure to repay debts as they become due.

**Article 194** Where the Company falls under the circumstance described in item (I) of Article 193 hereof, the Company may continue to exist by amending these Articles of Association.

Amendments to these Articles of Association pursuant to the preceding paragraph shall be subject to the approval of shareholders representing two-thirds or above of the voting rights present at the shareholders' meetings.

**Article 195** Where the Company is dissolved pursuant to item (I), (II), (IV), (V) or (VI) of Article 193 hereof, it shall establish a liquidation committee within 15 days as of the date on which the dissolution circumstance arises. The liquidation shall be thereby started. The liquidation committee shall be composed of directors or those determined by the shareholders' meeting. If a liquidation committee is not established within the time limit, the creditors may apply to the people's court to designate relevant personnel to form a liquidation committee to carry out liquidation.

**Article 196** During the liquidation period, the liquidation committee shall exercise the following functions and powers:

- (I) to examine and take possession of the Company's assets and prepare the balance sheet and an inventory of assets;

- (II) to inform creditors by notice or announcement;
- (III) to deal with the outstanding businesses of the Company relating to liquidation;
- (IV) to pay outstanding taxes, and to pay taxes incurred during the company's liquidation process;
- (V) to settle claims and debts;
- (VI) to dispose of the remaining assets of the Company after repayment of debts;
- (VII) to represent the Company in civil proceedings.

**Article 197** As of the date of its establishment, the liquidation committee shall notify the creditors within 10 days and make a public announcement on newspaper(s) within 60 days. Creditors shall, within 30 days after receipt of the notice, or for those who do not receive the notice, within 45 days as of the date of the announcement, declare their claims to the liquidation committee.

Creditors shall provide explanations and evidence for their claims upon their declarations of such claims.

The liquidation committee shall record the creditors' claims. The liquidation committee shall not pay off any debts to any creditors during the period of claim declaration.

**Article 198** After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and an inventory of assets, it shall formulate a liquidation proposal and submit it to the shareholders' meeting or the people's court for confirmation.

The remaining assets of the Company, after the payment for liquidation expenses, wages, social insurance premiums and statutory compensation of employees, taxes and debts of the Company, shall be distributed to the shareholders in proportion to their shareholding ratios.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to liquidation. The assets of the Company shall not be distributed to the shareholders until the settlement of debts in accordance with the preceding article.

**Article 199** After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and an inventory of assets, if it discovers that the Company's assets are insufficient to repay its debts in full, it shall apply to the people's court to declare the Company bankrupt according to law.

Following a ruling by the people's court that the Company is declared bankrupt, the liquidation committee shall hand over all matters relating to the liquidation to the people's court.

**Article 200** Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report which shall be submitted to the shareholders' meeting or the people's court for confirmation, and shall submit the same to the company registration authority, apply for cancellation of the Company's registration, and publish an announcement on the termination of the Company.

**Article 201** Members of the liquidation committee shall perform their duties with due diligence and carry out their liquidation obligations in accordance with the laws.

Members of the liquidation committee shall not exploit their position to accept bribes or other illegal income or misappropriate the assets of the Company.

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

**Article 202** Where the Company is declared bankrupt in accordance with law, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of an enterprise.

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

**Article 203** The Company may amend these Articles of Association pursuant to laws, administrative regulations, the Hong Kong Listing Rules, the relevant provisions of the security regulatory authorities of the places where the Company's shares are listed and the provisions of these Articles of Association.

**Article 204** The Company shall amend these Articles of Association in any of the following circumstances:

- (I) after the revision of the Company Law, the Hong Kong Listing Rules or relevant laws, and administrative regulations, the provisions of these Articles of Association are in conflict with the revised laws, administrative regulations or the Hong Kong Listing Rules;
- (II) there is a change in the Company's situation, which is inconsistent with the matters recorded in these Articles of Association;
- (III) the shareholders' meeting has resolved to amend these Articles of Association.

**Article 205** The Board shall amend these Articles of Association in accordance with the resolutions of the shareholders' meeting and the approval opinions of the relevant competent authorities. Amendments to these Articles of Association passed by the shareholders' meeting that require approval from the competent authorities must be submitted for their approval. If the amendments involve matters of company registration, the changes must be registered in accordance with the law. If the amendments to these Articles of Association pertain to information required by law or regulations to be disclosed, they shall be announced as prescribed.

## CHAPTER 11 SUPPLEMENTARY PROVISIONS

### **Article 206** Definitions

(I) Controlling shareholder means a person who meets one of the following conditions:

1. when acting alone or acting in concert with others, the person may elect a majority (more than half) of the directors;
2. when acting alone or acting in concert with others, the person may exercise or control the exercise of thirty percent (30%) or more of the voting rights of the Company (or other applicable percentages as required by the relevant PRC laws, administrative regulations, departmental rules and normative documents from time to time for triggering a mandatory public offer);
3. when acting alone or acting in concert with others, the person holds thirty percent (30%) or more of the issued shares of the Company;
4. when acting alone or acting in concert with others, the person has de facto control of the Company in any other manner.

The phrase "acting in concert" referred to in this Article means two or more persons by way of agreement (whether orally or in writing) reaching a consensus with an aim to obtain or consolidate control of the Company, through one person acquiring voting rights of the Company.

(II) Actual controller refers to a natural person, legal person or other organization (even though not a shareholder of the Company) that can actually control the actions of the Company through investment relations, agreements or any other arrangements.

**Article 207** The Board may formulate by-laws in accordance with these Articles of Association, provided that such by-laws do not conflict with the provisions of these Articles of Association.

**Article 208** These Articles of Association are prepared in Chinese, and in case of any discrepancies between these Articles of Association in any other languages or versions and these Articles of Association, the latest Chinese version as approved and registered with the company registration authority shall prevail.

**Article 209** The phrases “more than”, “within” and “below” herein for the numbers include the numbers indicated themselves, while the phrases “less than”, “beyond” “fall short”, “over”, “exceed”, “insufficient”, and “a majority” exclude the numbers indicated themselves. The term “accounting firm” in these Articles of Association shall have the same meaning as “auditor”.

**Article 210** Matters not covered by these Articles of Association shall be handled in accordance with applicable laws, administrative regulations, and the relevant provisions of the securities regulatory authorities of the places where the Company’s shares are listed, taking into account the actual circumstances of the Company. In the event of any inconsistency between these Articles of Association and laws, administrative regulations, or relevant provisions of the securities regulatory authorities of the places where the Company’s shares are listed promulgated and implemented after the effectiveness of these Articles of Association, such laws, regulations or provisions shall prevail.

**Article 211** The Company complies with the following rules for dispute resolution:

- (I) For any disputes or claims arising from the rights and obligations stipulated in these Articles of Association, the Company Law, and other relevant laws and administrative regulations related to Company affairs between shareholders of overseas listed foreign shares and the Company, between shareholders of overseas listed foreign shares and the Company’s directors, general manager (president), or other senior management, or between shareholders of overseas listed foreign shares and shareholders of domestic shares, the parties concerned shall submit such disputes or claims to arbitration for resolution.

When submitting the aforementioned disputes or claims to arbitration, such disputes or claims shall be submitted as a whole. All persons who have a cause of action arising from the same matter or whose participation is necessary for the resolution of the dispute or claim shall be subject to arbitration provided that such persons are the Company or a shareholder, director, general manager (president), or other senior management of the Company. Disputes regarding the definition of shareholders or the shareholder register may be resolved without arbitration.

- (II) The claimant may choose to have the arbitration conducted by China International Economic and Trade Arbitration Commission in accordance with its arbitration rules, or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the claimant submits the dispute or claim for arbitration, the respondent must participate in the arbitration proceedings at the arbitration institution selected by the claimant. If the claimant chooses the Hong Kong International Arbitration Centre for arbitration, either party may request that the arbitration be conducted in Shenzhen in accordance with the provisions of the Hong Kong International Arbitration Centre's Securities Arbitration Rules.
- (III) Disputes or claims arising from the matters described in item (I) shall be resolved through arbitration in accordance with the laws of the People's Republic of China except for those otherwise provided by laws or administrative regulations.
- (IV) The decision made by the arbitration institution is final and binding on all parties.

**Article 212** These Articles of Association shall be interpreted by the Company's Board.

**Article 213** The appendices to these Articles of Association include the Rules of Procedure for Shareholders' Meetings and the Rules of Procedure for Board Meetings.

**Article 214** These Articles of Association shall take effect and be implemented upon approval by the shareholders' meeting. Upon the implementation of these Articles of Association, the previous articles of association shall automatically become null and void.

(There is no body text hereinafter)

*NOTE:* If there is any discrepancy between the English version and the Chinese version of these Articles of Association, the Chinese version shall prevail.