



德銀天下股份有限公司

DEEWIN TIANXIA CO.,LTD

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

## Articles of Association

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## CHAPTER I GENERAL PROVISIONS

**Article 1** To protect the legitimate rights and interests of Deewin Tianxia Co., Ltd (the “**Company**”), its shareholders, employees and creditors and to regulate the organization and conduct of the Company in accordance with the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “**PRC Company Law**”), the Securities Law of the PRC (中華人民共和國證券法) (the “**Securities Law**”), the Guidelines on the Articles of Association of Listed Companies (上市公司章程指引) (the “**Guidelines on the Articles**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange Listing Rules**”) and other applicable laws and regulations, the Articles of Association is hereby formulated.

**Article 2** The Company is a joint stock company established in accordance with the PRC Company Law, the Securities Law and other applicable regulations of the People’s Republic of China.

**Article 3** The Company was converted into a joint stock limited liability company from Deewin Tianxia Investment Holding Co., Ltd. (德銀天下投資控股有限公司) (“**Deewin Holdings Co.**”), which is jointly invested by three promoters: Shaanxi Automobile Group Co., Ltd. (陝西汽車集團股份有限公司), Shaanxi Heavy Duty Automobile Co., Ltd. (陝西重型汽車有限公司), and Shaanxi Group Commercial Automobile Co., Ltd. (陝汽集團商用車有限公司), in accordance with the law. The Company has registered with the Xi’an Administration for Market Regulation and has obtained a business license, and the original rights and obligations of Deewin Holdings Co. are inherited by the Company.

**Article 4** The Company was approved by the CSRC on 29 July 2021 and was listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) on 15 July 2022, with a total of 607,042,500 overseas listed foreign shares (including 64,042,500 over-allotment shares).

**Article 5** Registered name of the Company

Full Chinese name: 德銀天下股份有限公司

Abbreviated Chinese name: 德銀天下

Full English name: DEEWIN TIANXIA CO., LTD

Abbreviated English name: DEEWIN

**Article 6** Company domicile: 16/F, Unit 1, Building 1, Jingwei International Center, No. 29, West Section of Xijin Road, Jingwei Xincheng, Xi’an Economic and Technological Development Zone.

**Article 7** The registered capital of the Company is RMB2,181,436,500, and the paid-in capital is RMB2,181,436,500.

**Article 8** The Company is a joint stock limited company existing in perpetuity.

**Article 9** The Chairman of the Board is the legal representative of the Company. The legal consequences of the civil activities performed by the legal representative in the name of the Company shall be borne by the Company. If the Chairman of the Board of the Company resigns, he/she is deemed to have resigned as the legal representative concurrently. If the legal representative resigns, the Company will determine a new legal representative within 30 days from the date of the legal representative's resignation.

**Article 10** The entire assets of the Company are divided into equal shares, and the shareholders are liable for the Company to the extent of their subscribed shares, while the Company is liable for its debts to the extent of its entire assets.

**Article 11** The Articles of Association are adopted by way of special resolution at the general meeting of the Company and shall supersede and replace the Articles of Association previously filed with the administration for industry and commerce.

The Company's Articles of Association shall become a legally binding document for the Company, shareholders, members of the Party Committee, Directors and senior management from the effective date. Pursuant to the Articles of Association, shareholders may institute legal proceedings against shareholders, shareholders may institute legal proceedings against Directors and senior management of the Company, shareholders may institute legal proceedings against the Company, and the Company may institute legal proceedings against shareholders, Directors and senior management.

"Legal proceedings" referred to in the preceding paragraph includes any legal action brought before a court and any arbitration application submitted to an arbitration institution.

**Article 12** The senior management stated in this Articles of Association refers to the general manager, deputy general manager, secretary of the Board of Directors and financial officer of the Company.

**Article 13** The Constitution of the Communist Party of China (the "**Party Constitution**") provides guidelines for the establishment of organization of the Communist Party of China, the implementation of Party activities, setting up of Party working organizations, reinforcement of Party staffing, and the guarantee of working expenses of Party organizations. The Company provides the necessary conditions to facilitate activities of CPC organization.

**Article 14** All activities of the Company shall comply with laws and regulations of the State, subject to the supervision of State functions, and pay taxes according to the law.

## CHAPTER II BUSINESS OBJECTIVES AND SCOPE OF BUSINESS

**Article 15** Business objectives of the Company: Based on the market and customer needs, cultivate the commercial automobile market to continually develop new models, new business modes, new technologies and new products focusing on “the whole life cycle of commercial automobile and the entire process of customer operation”, with an aim to become a leader in the integrated value-added services in the commercial automobile industry chain following laws and regulations of the State.

**Article 16** After due registration in accordance with law, the business scope of the Company covers the following:

Automobile components sales (excluding assembly); automobile after-sales service; machinery and equipment leasing, automobile leasing; second-hand automobile information consulting, automotive marketing planning; site leasing; investment in automobile and automotive products, management and consulting (investment with own assets only; for items subject to approval according to law, business activities can only be carried out after the approval by relevant authorities). (Licensed activities, if any, involved in the above business scope shall be operated within the validity period upon obtaining corresponding licenses and certificates, or else no such activities may be operated).

**Article 17** Based on the market changes, combined with the Company’s business development needs and its own capabilities, the scope of business can be adjusted when applicable after the approval of the general meeting and obtaining the necessary permits to carry out the business.

## CHAPTER III SHARES

### Section I Issuance of Shares

**Article 18** The shares of the Company are in the form of share certificates.

**Article 19** The shares of the Company shall be issued on the principle of openness, fairness and equity, and each share of the same class shall have equal rights.

Shares of the same class issued at the same time shall be issued under the same condition and at the same price. The same price shall be paid for each of the shares subscribed for by any subscriber.

**Article 20** The par value shares issued by the Company are denominated in RMB.

**Article 21** The Company may offer shares to domestic investors and overseas investors subject to the approval by the securities regulatory authority of the State Council (the “CSRC”). Registration or filing procedures should be performed with the CSRC in accordance with the law.

For the purposes mentioned in the preceding paragraph, the term “overseas investors” shall refer to the investors from foreign countries or from Hong Kong Special Administrative Region, Macao Special Administrative Region or Taiwan region who subscribe for the shares issued by the Company, and the term “domestic investors” shall refer to the investors inside China, excluding the above-mentioned regions, who subscribe for the shares issued by the Company.

**Article 22** The shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as “domestic shares”. The shares issued by the Company to overseas investors for subscription in foreign currency shall be referred to as “foreign shares”. Foreign Shares listed outside the PRC shall be referred to as “overseas listed foreign shares”.

For the purposes mentioned in the preceding paragraph, the term “foreign currency” shall refer to the lawful currency of a country or region outside the People’s Republic of China, which is recognized by the State Administration of Foreign Exchange and can be used to pay for the shares to the Company.

The overseas listed foreign shares listed by the Company in Hong Kong are referred to as “H Shares”. H Shares are shares which have been admitted for listing on the Hong Kong Stock Exchange with a par value denominated in RMB and are subscribed for and traded in Hong Kong dollars.

Domestic shareholders of the Company who convert their domestic unlisted shares into overseas listed shares and list such shares at overseas trading places shall comply with the relevant regulations of the CSRC and entrust the Company to file with the CSRC. Shares transferred and listed on an overseas stock exchange shall also be subject to the regulatory procedures, regulations and requirements of the overseas stock exchange. The listing and trading on such overseas stock exchange of shares so transferred do not need approval by voting at general meetings.

**Article 23** The domestic shares issued by the Company are centrally deposited with China Securities Depository and Clearing Corporation Limited. Overseas listed foreign shares issued by the Company in Hong Kong are mainly held in custody at the securities depository and clearing company in Hong Kong, or may be held by shareholders in their individual names.

**Article 24** The total number of shares at the time of establishment was 1,629,000,000. The capital structure of the Company at the time of establishment was as follows: 1,629,000,000 ordinary shares, with par value of RMB1 each, all held by each promoter shareholder. The Company's promoters, the number of shares subscribed for and the shareholding ratio are as follows:

<b>No.</b>	<b>Name of promoter</b>	<b>Number of shares subscribed for (share)</b>	<b>Shareholding ratio (%)</b>
1	Shaanxi Automobile Group Co., Ltd.	1,500,146,100	92.09
2	Shaanxi Heavy Duty Automobile Co., Ltd.	117,125,100	7.19
3	Shaanxi Group Commercial Automobile Co., Ltd.	11,728,800	0.72
<b>Total</b>		<b>1,629,000,000</b>	<b>100.00</b>

**Article 25** The Company was listed on the Hong Kong Stock Exchange on 15 July 2022, and the Company issued a total of 607,042,500 overseas listed foreign shares. Upon completion of the issuance of the above overseas listed foreign shares, the share capital structure of the Company is as follows: all are ordinary shares, with a total number of 2,236,042,500 shares. Among which, Shaanxi Automobile Group Co., Ltd. held 1,500,146,100 shares, representing 67.09% of the total issued ordinary shares of the Company; Shaanxi Heavy Duty Automobile Co., Ltd. held 117,125,100 shares, representing 5.24% of the total issued ordinary shares of the Company; Shaanxi Group Commercial Automobile Co., Ltd. held 11,728,800 shares, representing 0.52% of the total issued ordinary shares of the Company; and shareholders of overseas listed foreign shares held 607,042,500 shares, representing 27.15% of the total issued ordinary shares of the Company.

**Article 26** The Company or its subsidiaries (including its affiliates) shall not give any financial assistance, in the form of gift, advance, guarantee or loans, to others for the acquisition of the shares of the Company or its parent company, except for the implementation of the Employee Stock Ownership Plan of the Company.

In the interests of the Company, by a resolution of the general meeting, or by a resolution of the Board in accordance with these Articles of Association or the authorization of the general meeting, the Company may provide financial assistance to others for the acquisition of shares of the Company or its parent company, provided that the cumulative total amount of the financial assistance shall not exceed ten percent of the total amount of issued share capital. The resolution made by the Board shall be passed by more than two-thirds of all Directors.

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

**Article 27** In accordance with the laws and regulations, the Company may, based on its operating and development needs and the resolution of the general meeting, increase its capital by the following methods:

- (I) issuing shares to unspecified targets;
- (II) issuing shares to specified targets;
- (III) allotting bonus shares to existing shareholders;
- (IV) capitalizing its capital reserve;
- (V) other methods specified by the laws and administrative regulations and approved by the CSRC.

**Article 28** The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the Company Law and other relevant regulations and the procedures stipulated in these Articles of Association.

**Article 29** The Company shall not repurchase its own shares, save as under any one of the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with another company that holds the shares of the Company;
- (III) to use the shares for Employee Stock Ownership Plan or as equity incentive;
- (IV) the shareholders disagreeing with the merger or separation resolution made by the general meeting to request the Company to acquire their shares;
- (V) to apply the shares in the conversion of the convertible corporate bonds issued by the Company;
- (VI) necessary to protect the company value and the shareholders' equity;
- (VII) other circumstances stipulated by laws and administrative regulations and approved by the approval department authorized by the State Council.

Where the Company repurchases its own shares, it shall perform its information disclosure obligations in accordance with the Securities Law and the Listing Rules of Hong Kong Stock Exchange.

**Article 30** The Company may repurchase its shares through open and concentrated transactions or other ways permitted by laws and administrative regulations and recognized by the CSRC.

If the Company intends to repurchase its shares in accordance to the situations set out in subparagraphs (III), (V) and (VI) of Article 29, the repurchase shall be conducted through public and centralized trading.

**Article 31** Where the Company repurchases its shares for the reasons set out in subparagraphs (I) and (II) of Article 29 of the Articles of Association, a resolution adopted at a general meeting is required. The repurchase of shares of the Company under the circumstances set out in subparagraphs (III), (V) and (VI) of Article 29 of the Articles of Association shall be subject to the resolution made at a Board meeting attended by more than two-thirds of the Directors. After the Company acquires its own shares in accordance with Article 29, if it falls under the circumstance of subparagraph (I), it shall cancel the shares within 10 days from the date of acquisition; if it falls under the circumstances of item (II) and (IV), it shall transfer or cancel the shares within 6 months from the date of acquisition. The number of shares of the Company acquired by the Company in accordance with the provisions of subparagraphs (III), (V) and (VI) of Article 29 shall not exceed 10% of the total number of issued shares of the Company, and shall be transferred or canceled within three years.

The repurchase of H shares by the Company shall comply with the relevant provisions of the Listing Rules of the Hong Kong Stock Exchange.

### **Section III Transfer of Shares**

**Article 32** The shares of the Company shall be transferred in accordance with laws.

**Article 33** The Company shall not accept its own shares as collateral.

**Article 34** Shares issued by the Company prior to the public offering of its shares shall not be transferred within one year from the date of listing and trading of the shares of the Company on a stock exchange.

The Directors and senior management of the Company shall declare the number of shares held by them and the relevant changes. The number of shares transferred each year during their term of office determined at their appointment shall not exceed 25% of the total number of shares of the Company of the same class held by them. The shares of the Company held by them shall not be transferred within one year as of the listing date of the shares of the Company. The shares of the Company held by them shall not be transferred within six months after their resignation.

## CHAPTER IV SHAREHOLDERS AND GENERAL MEETING

### Section I Shareholders

**Article 35** When its H-shares are listed in the Hong Kong Stock Exchange, the Company shall ensure that all the listing documents (including the H-share certificates) contain the following statements, and shall direct and cause its Share Transfer Registry to refuse to register the subscription, purchase or transfer of its shares in the name of any individual holder unless and until such individual holder has submitted to the Share Transfer Registry a duly signed form relating to such shares which contains the following statements:

- (I) the share purchasers and the Company and each shareholder, as well as the Company and each shareholder, agree to abide by and comply with the PRC Company Law, other relevant laws and these Articles of Association;
- (II) the share purchasers agree with the Company and each of its shareholders that the shares of the Company are freely transferable by its holders;
- (III) the share purchaser authorizes the Company to enter into, on its behalf, a contract with each of the Directors and senior management who undertake to abide by and perform their duties to the shareholders as prescribed in the Articles of Association.

**Article 36** The Company shall establish a register of shareholders in accordance with evidence from the securities registration and settlement organization, the register of shareholders represents sufficient evidence to prove the holding of shares in the Company by shareholders. Shareholders shall have rights and obligations according to the type of shares they hold; shareholders holding shares of the same type shall have the same rights and obligations.

The Hong Kong branch register of shareholders of the Company must be available for inspection by shareholders. However, the Company may suspend the registration of shareholders on terms equivalent to section 632 of the Hong Kong Companies Ordinance.

When two or more persons are registered as joint shareholders of any share, they shall be deemed joint holders of the share, and subject to the following restrictions:

- (I) the Company is not required to register more than four persons as joint shareholders of any share;
- (II) all joint shareholders of any share shall be jointly and severally liable for the payment of all amounts due in respect thereof;
- (III) in the event of the death of one of the joint shareholders, only the surviving joint shareholder(s) shall be deemed by the Company to have title to the relevant shares, but the Board shall have the right to demand the death certificate of such shareholder as it thinks fit for any change in the register of shareholders; and

(IV) in respect of any share, only the joint shareholders who are first on the register shall be entitled to receive from the Company the share certificates in question and to receive notice of the Company, attend the general meetings of the Company or exercise all voting rights in respect of the shares at the general meetings, and any notice given to such person shall be deemed to have been given to all joint shareholders in respect of the shares.

**Article 37** Where laws, administrative regulations, departmental rules, regulatory documents and the relevant requirements of the stock exchanges or securities regulatory authorities of the place where the Company's shares are listed have provisions, prior to the general meeting or prior to the base date for the dividend distribution, on the period of closure of the register of members, such provisions shall apply.

**Article 38** When the Company holds a shareholders' general meeting, distributes dividends, liquidates and engages in other acts that require recognition of shareholders, the Board or the convenor of the shareholders' general meeting shall decide the share registration date, and the shareholders registered after the close of business on the share registration date shall be the shareholders entitled to the relevant rights and interests.

**Article 39** Shareholders of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of distribution of interest in proportion to their respective shareholdings;
- (II) to legally request to hold, convene, preside over, attend, make speeches or dispatch shareholder's agent to attend the general meetings and exercise the corresponding voting rights in proportion to their paid-in proportion;
- (III) to supervise, make suggestions or inquiries on the operation of the Company;
- (IV) to transfer, bestow or pledge the shares they hold according to the laws, administrative laws and regulations, requirements of the securities regulatory authorities where the Company's shares are listed and the Articles of Association;
- (V) To inspect and make copies of the Articles of Association, register of shareholders, minutes of general meetings, resolutions of meetings of the Board of Directors, and financial and accounting reports, and shareholders who meet the requirements may also inspect the accounting books and vouchers of the Company;
- (VI) the right to participate in the distribution of the Company's remaining assets in proportion to their paid-in shareholdings upon termination or liquidation of the Company;
- (VII) request from shareholders who object to a resolution of a general meeting on merger or division of the Company for the Company to acquire their shares;
- (VIII) other rights stipulated by laws, administrative regulations, department rules or the Articles of Association.

**Article 40** Any shareholder requesting to inspect or make copies of the relevant materials of the Company shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations. Shareholders shall keep confidential the information and data they inspected.

**Article 41** The Company shall not exercise any power to freeze or otherwise impair the rights attached to any of its shares held by any person having a direct or indirect interest merely because he/she has not disclosed his/her interest to the Company.

**Article 42** The shareholders shall be entitled to request the People's Court to invalidate the resolution of the general meeting and board meeting which violates the laws and administrative regulations.

The shareholders shall be entitled to request the People's Court to cancel the relevant resolution within 60 days after the resolution is adopted if the convening procedure or voting method of the general meeting or board meeting violates the laws, administrative regulations or the Articles of Association, or the resolution content breaches the Articles of Association, except, however, where there are only minor defects in the convening procedure or voting method of the general meeting or board meeting, which do not have substantive effect on the resolution.

Where the Board of Directors, shareholders and other relevant parties have any dispute over the validity of a resolution of the general meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a judgment or ruling that the resolution shall be revoked, the relevant parties shall implement the resolution of the general meeting. The Company, its Directors and senior management shall effectively perform their duties to ensure the normal operation of the Company.

Where the People's Court makes a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the laws, administrative regulations, and the requirements of the CSRC and the stock exchange to give a full explanation on the impact, and proactively support the execution of the judgment or ruling after it has come into effect. If it involves the correction of prior period matters, the Company shall address them in a timely manner and fulfill the corresponding information disclosure obligations.

**Article 43** A resolution of the general meeting or the Board of Directors of the Company shall not be valid if any of the following circumstances applies:

- (I) No general meeting or Board meeting has been convened to make a resolution;
- (II) No vote has been taken on the matters resolved at the general meeting or Board meeting;
- (III) The number of persons attending the meeting or the number of voting rights held by them does not reach the required number under the Company Law or these Articles of Association;

- (IV) The number of persons agreeing to the matters resolved or the number of voting rights held by them does not reach the required number under the Company Law or these Articles of Association.

**Article 44** If a Director or senior management personnel other than those who is also a member of the audit committee causes losses to the Company for violation of the requirements of the laws, administrative regulations or the Articles of Association during the performance of his/her duties, shareholders who hold more than 1%, individually or jointly, of the Company's shares for more than 180 days continuously, have the right to request the audit committee to bring a suit to the People's Court; if a member of the audit committee causes losses to the Company for violation of the requirements of the laws, administrative regulations or the Articles of Association during the performance of its duties, the aforesaid shareholders can request the Board in written form to file a suit in the People's Court.

Upon receipt of the written request by the shareholders as stipulated in the preceding paragraph, in case the audit committee and the Board refuses to file a litigation or fails to file a litigation within 30 days from receipt of such request, or under urgent circumstances the audit committee and/or the Board fails to file a litigation immediately, causing irreparable damages to the Company, the aforesaid shareholders shall have the right to file a litigation with the People's Court directly in their own name for protection of the Company's interests.

In the event that any person infringes the legal interests of the Company causing losses to the Company, the shareholders specified in the first paragraph may file a litigation with the People's Court in accordance with the provisions of the preceding two paragraphs.

If a director or senior management personnel of a wholly-owned subsidiary of the Company causes losses to the Company for violation of the requirements of the laws, administrative regulations or the Articles of Association during the performance of his/her duties, or in the event that any person infringes the legal interests of and causes losses to the wholly-owned subsidiary of the Company, shareholders who hold more than 1%, individually or jointly, of the Company's shares for more than 180 days continuously have the right to request in writing the supervisory committee or the board of directors of the wholly-owned subsidiary to bring a suit to the People's Court or file a litigation with the People's Court directly in their own name in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law.

**Article 45** In the event of violation of the laws, administrative regulations or the provisions under the Articles of Association by a director or senior management personnel in performing his/her duties resulting damage to the shareholders' interest, the shareholders may file a litigation with the People's Court.

**Article 46** Shareholders of the Company shall assume the following obligations:

- (I) to comply with the laws, administration regulations and the Articles of Association;
- (II) to pay the subscribed share capital for the shares subscribed in accordance with the agreed manner of equity participation;

- (III) no withdrawal of share capital from the Company except for the circumstances set out in the relevant laws and administrative regulations;
- (IV) no abuse of shareholder's rights to damage the interests of the Company or other shareholders; no abuse of the independent legal person status of the Company and the limited liability of shareholders to damage the interests of the creditors of the Company;
- (V) other obligations to be assumed by the Shareholders according to the laws, administration regulations and the Articles of Association.

**Article 47** If any shareholder of the Company abuses the shareholder's rights and causes loss to the Company or other shareholders, he/she shall be liable for the compensation; if any shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and severely damage the interests of the creditors of the Company, he/she shall bear joint liability for the debts of the Company.

**Article 48** The controlling shareholder and the de facto controller of the Company shall not use their connected relations to prejudice the interests of the Company. They shall be liable for indemnifying the Company for the losses arising therefrom in case of violation of such requirement.

The controlling shareholder and the de facto controllers of the Company shall bear the fiduciary duty to the Company and other shareholders. The controlling shareholder shall exercise the rights of the investor in strict accordance with laws. The controlling shareholder shall not damage the legitimate rights and interests of the Company and other shareholders by means of profit distribution, asset restructuring, outbound investment, capital occupation, loan guarantee, etc., and shall not damage the interests of the Company and other shareholders by means of its controlling position.

In addition to the obligations imposed by the laws or as required by the stock exchange on which shares of the Company are listed, a controlling shareholder of the Company shall not exercise his/her voting rights in a manner prejudicial to the interests of all or part of the shareholders:

- (I) to relieve a Director of his/her duty to act in good faith in the best interest of the Company;
- (II) to approve the expropriation by a Director (for the benefit of his/her own or of another person), in any manner, of the Company's assets, including but not limited to, opportunities favorable to the Company;
- (III) to approve the expropriation by a Director (for the benefit of his/her own or of another person) of the personal rights of other shareholders, including but not limited to, rights to distributions and voting rights, save and except for a corporate restructuring of the Company submitted to and approved by the general meeting in accordance with the Articles of Association.

## Section II General Provisions on General Meeting

**Article 49** The general meeting of the Company comprises all shareholders. The general meeting is the organ of power of the Company and exercises the following functions and powers according to the laws:

- (I) to elect and replace Directors who are not employee representatives, and to decide on matters relating to their remuneration;
- (II) to review and approve the reports of the Board;
- (III) to review and approve the annual financial accounting plans of the Company;
- (IV) to review and approve the profit distribution plan and loss recovery plan of the Company;
- (V) to make resolutions on the increase or reduction of the Company's registered capital;
- (VI) to make resolutions on the issuance of corporate share certificates and bonds;
- (VII) to make resolutions on matters such as the merger, division, dissolution, liquidation or change in the organizational form of the Company;
- (VIII) to amend the Articles of Association;
- (IX) to make a resolution on the engagement or removal of the accounting firm that provides audits for the Company;
- (X) to review the major external guarantees of the Company;
- (XI) to consider the Company's purchase or disposal of major assets within one year of an aggregate value exceeding 30% of the latest audited total assets of the Company;
- (XII) to review and approve the change of use of proceeds;
- (XIII) to consider stock incentive scheme and Employee Stock Ownership Plan;
- (XIV) to consider other matters that shall be decided by the general meeting according to laws, administrative regulations, department rules and the Articles of Association.

The major external guarantees as stipulated in item (X) shall be reviewed by the general meeting under the following circumstances:

- (1) any guarantee provided after the total amount of the external guarantees provided by the Company and its controlling subsidiaries reaches or exceeds 50% of the audited net assets for the latest period;

- (2) any guarantee provided after the total amount of the external guarantees provided by the Company reaches or exceeds 30% of the audited total assets for the latest period;
- (3) the guarantee provided to the guaranteed objects with a debt-to-asset ratio of more than 70%;
- (4) any single guarantee whose amount exceeds 10% of the audited net assets for the latest period;
- (5) any guarantee provided to the shareholder, actual controller and its connected parties;
- (6) other major external guarantees that shall be decided by the general meeting in accordance with the provisions of the Articles of Association, the Rules of Procedure for the General Meeting and other relevant laws and regulations.

In addition, the Board may review the situation where the Company provides guarantee for a wholly-owned subsidiary or a controlling subsidiary, and other shareholders of the controlling subsidiary provide guarantee in equal proportion to their rights and interests, without harming the interests of the Company.

Under the condition of not breaching any laws and regulations, mandatory provisions of the listing rules of the listing place, the general meeting may authorize or entrust the Board to handle the matters as authorized or entrusted.

**Article 50** External guarantees of the Company shall be carried out in strict accordance with the above provisions of examination and approval authority.

When the proposal for providing guarantees for a shareholder or actual controller is reviewed by the general meeting, the relevant shareholder or the shareholders controlled by the actual controller shall not participate in the voting, and this proposal shall be adopted by more than half of votes of other shareholders present at the meeting.

Where the directors or senior management violate laws, administrative regulations or the provisions of the Articles of Association on the limits of authority for examination and approval and the procedures for examination and approval of external guarantees, thus causing losses to the Company, they shall be liable for compensation, and the Company may file a lawsuit against them according to law.

**Article 51** Unless the Company is in danger or under other special circumstances, the Company shall not, without the approval of general meeting by means of a special resolution, enter into agreements with persons other than directors, supervisors or senior management granting that persons responsibility for the management of all or part of the Company's material business.

**Article 52** The general meetings shall be divided into annual general meetings (AGM) and extraordinary general meetings (EGM). The annual general meeting shall be convened once an accounting year, and shall be held within 6 months after the prior accounting year.

The Company shall convene an EGM within 2 months of the occurrence of any of the following circumstances:

- (I) when the number of Directors is less than the number specified in the Company Law or two-thirds of the number required by the Articles of Association;
- (II) when the uncovered loss of the Company reaches one-third of the total share capital of the Company;
- (III) upon request(s) by shareholder(s) individually or collectively holding more than 10% of the Company's share;
- (IV) when the Board considers it necessary;
- (V) when the audit committee proposes that such a meeting be held;
- (VI) when a proposal for holding such a meeting is made with the consent of half more of all independent non-executive Directors of the Company;
- (VII) any other circumstances required by laws, administrative regulations, departmental rules, the Listing Rules and the Articles of Association.

**Article 53** The place for convening a general meeting of the Company shall be determined by the Board.

**Article 54** The general meeting shall be held at a designated meeting venue and held in the form of on-site meeting. The Company will also provide other means permitted under the listing rules of the place where the shares are listed to facilitate the shareholders' attendance to the general meeting. Shareholders who participate in the meeting in the aforesaid manner shall be deemed as present and are entitled to speak and vote at the general meeting, including voting by electronic means.

### **Section III Convening of General Meeting**

**Article 55** The Board of Directors shall convene a general meeting on time and within the prescribed period. The Company's independent non-executive Directors shall have the right to propose to the Board to hold an EGM. For the proposal of independent non-executive Directors of convening an EGM, the Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, submit written feedback on whether to agree or disagree with the meeting within ten days upon receipt of the proposal.

When the Board agrees to convene an EGM, the Board shall, within five days after the Board resolution is made, issue notice calling for the meeting. If the Board does not agree to convene such meeting, the reasons shall be stated in writing and announced.

**Article 56** The audit committee shall be entitled to propose to the Board to convene the EGM, provided that the proposal shall be made in written form. The Board shall, pursuant to the laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the EGM or not within ten days after receipt of the proposal.

When the Board agrees to convene an EGM, the Board shall, within five days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the audit committee.

When the Board does not agree to convene an EGM, or does not provide feedback within ten days upon receipt of the proposal, the Board shall be considered to be unable or fail to perform the duty of convening a general meeting. The audit committee may convene and preside over the meeting on its own.

**Article 57** Shareholders who individually or collectively hold 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting, which shall be submitted in writing to the Board of Directors. The Board shall, in accordance with the law, administrative regulations and these Articles of Association, give a written reply on whether to agree or disagree with the convening of the extraordinary general meeting within ten days after receiving the request.

If the Board consents to hold an extraordinary general meeting, it should issue a notice of general meeting within five days after the resolution is approved by the Board, and any change to the original request in the notice shall be subject to consent from the relevant shareholders.

If the Board disagrees to hold an extraordinary general meeting, or fails to give a reply within ten days after receiving the request, shareholders who, individually or jointly, hold not less than 10% of the shares of the Company shall have the right to propose to the audit committee to convene an extraordinary general meeting, and the request shall be submitted to the audit committee in writing.

If the audit committee consents to hold an extraordinary general meeting, it should issue a notice of general meeting within 5 days after receiving the request, and any change to the original appeal in the notice shall be subject to consent from the relevant shareholders.

If the audit committee fails to issue a notice of general meeting within the prescribed period, the audit committee is deemed to refuse to convene and preside over the general meeting, and shareholders who, individually or jointly, hold not less than 10% shares of the Company for not less than 90 consecutive days may convene and preside over a general meeting.

**Article 58** The Board and the Board secretary shall align with the general meeting convened by the audit committee or the shareholders on their own. The Board shall provide the register of shareholders as at the date of record.

**Article 59** If the audit committee or shareholders convene a general meeting on their own, the expenses required for the meeting shall be borne by the Company.

## **Section IV Proposals and Notices of General Meeting**

**Article 60** The proposal contents of the general meeting shall fall into the terms of reference of the general meeting. There shall be definite topics and specific matters for resolution. The proposal shall comply with the relevant provisions of the laws, administrative regulations and the Articles of Association.

**Article 61** Where the Company convenes a general meeting, the Board, the audit committee, and shareholder(s) individually or jointly holding more than 1% of the shares of the Company shall be entitled to make proposals to the Company.

The shareholders individually or jointly holding more than 1% of the shares of the Company may raise a temporary proposal and submit it to the convener in writing ten days before the general meeting is held. The convener shall, within two days after the receipt of the proposal, issue a supplementary notice to inform the general meeting of the contents of the temporary proposal, except, however, in the case that the temporary proposal violates the provisions of laws, administrative regulations or the Articles of Association, or does not fall within the scope of authority of the general meeting.

Save as specified above, the convener shall not change the proposal set out in the notice of general meeting or add any new proposals after the said notice is served.

The general meeting shall not vote or pass resolutions on proposals not listed in the notice of the general meeting or resolutions not in conformity with Article 60 of the Articles of Association.

**Article 62** To hold a general meeting, a written notice shall be given 20 days before the date of the general meeting, and a written notice of an EGM shall be sent to each shareholder 15 days before the meeting is held.

**Article 63** The notice of the general meeting shall meet the following requirements:

- (I) made in written form;
- (II) specifying the time, venue and duration of the meeting;
- (III) the matters and proposals to be reviewed at the meeting;
- (IV) textual explanation: all shareholders of ordinary shares are entitled to participate in the meeting and they may appoint a proxy to attend and vote at such meeting on their behalves and that such proxies need not be shareholders of the Company;
- (V) record date of the shareholders entitled to attend the general meeting;
- (VI) the name and phone number of the contact person for the meeting.

**Article 64** Unless otherwise specified by the Articles of Association, the notice of general meeting shall be delivered in the manner provided in Article 203 of the Articles of Association and the address of the shareholders shall be the address listed in the register of shareholders (giving notices to shareholders with the registered address outside Hong Kong is not prohibited). The notice of general meeting may also be sent via public announcement.

Notices of general meetings, shareholder circulars and relevant documents may be published on the website of the Company and the Hong Kong Stock Exchange, provided that they meet the requirements of laws, administrative regulations, the listing rules of the place where the Company is listed and the Articles of Association. Upon announcement, all shareholders are deemed to have received notice of the relevant general meeting.

**Article 65** When the notice of general meeting is issued, the general meeting shall not be adjourned or canceled without just cause, and the proposals listed in the notice of general meeting shall not be canceled. In the event of a delay or cancellation, the convener shall give notice and explanations at least two working days before the scheduled date of convening.

**Article 66** The Board and other conveners shall take necessary measures to maintain the normal order of the general meeting. They shall take measures to stop the conducts that interfere with the general meeting, provoke trouble and infringe on the legal rights and interests of the shareholders and report to the relevant authorities for investigation.

**Article 67** Any shareholder entitled to attend the general meeting and vote has the right to appoint one or several persons (who is not necessary to be a shareholder) as his shareholder agent to attend and vote on his/her behalf. A proxy is entitled to exercise the following rights pursuant to the appointment made by the appointing shareholder:

- (I) same right as the shareholder to speak at the general meeting;
- (II) requesting to vote by ballot separately or jointly with others;
- (III) unless otherwise provided by laws and regulations, the securities regulatory authority or the stock exchange in the place where the Company's shares are listed, the voting right shall be exercised by a show of hands or a vote, provided that when more than one Shareholder's agent is appointed, such Shareholder's agent can only exercise the voting right by voting.

**Article 68** Shareholders shall entrust proxies via written power of attorney, which shall be signed by the principal or the proxies so entrusted in writing. If the principal is a legal person, the power of attorney shall be stamped with the name of the legal person or signed by its director or duly appointed proxy.

The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall contain the following information:

- (I) the name of the principal and the name of the agent and other identification information;
- (II) the class and number of shares of the principal represented by the proxy;
- (III) the instructions on voting for, against or abstention of voting for each agenda item of the general meeting;
- (IV) whether the proxy has the voting right on a provisional proposal that may be added to the agenda of the general meeting, and if so, the specific instructions as to what vote to cast if he/she has such right to vote;
- (V) the date of issuance and effective period of the power of attorney;
- (VI) signature (or seal) of the principal. If the principal is a corporate shareholder, the power of attorney shall be affixed with the common seal of the corporate or signed by its director or duly appointed proxy;
- (VII) If several persons act as proxies, the number of shares represented by each proxy shall be indicated.

**Article 69** The power of attorney for proxy voting shall be deposited at the domicile of the Company or such other places specified in the notice of the meeting within 24 hours before the meeting at which the proxy is authorized to vote or within 24 hours before the specified voting time. If the power of attorney for proxy voting is signed by another person authorized by the principal, the power of attorney or other documents authorizing the signature shall be notarized. The notarized letter of authority or other authorization documents and the power of attorney for proxy voting shall be maintained at the domicile of the Company or other place specified in the meeting notice.

If the shareholder is a recognized clearing house (or its agent) as defined in the relevant ordinances made in Hong Kong from time to time, the shareholder may authorize one or more persons as he/she thinks fit to act as his/her representative at any general meeting, meeting of creditors or any class of meetings. However, if more than one person is authorized, the power of attorney shall state the number and type of shares in respect of which each such person is authorized and shall be signed by the authorized officer of the recognized clearing house, and the person so authorized may attend a meeting on behalf of a recognized clearing house (or its agent) to exercise its powers, including the right to speak and vote at the meeting as if he/she were an individual shareholder of the Company without the need to produce a certificate of shareholding, notarized power of attorney and/or further evidence of duly authorization.

## Section V Convening of the General Meeting

**Article 70** The Board and other conveners shall take necessary measures to maintain the normal order of the general meeting. They shall take measures to stop the conducts that interfere with the general meeting, provoke trouble and infringe on the legal rights and interests of the shareholders and report to the relevant authorities for investigation.

**Article 71** All the shareholders of ordinary shares listed in the register of shareholders on the Record Date or their agents shall be entitled to attend the general meeting, and exercise the voting rights in accordance with the provisions of laws, regulations, and the Articles of Association.

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

**Article 72** An individual shareholder who attends the meeting in person shall produce his/her own identity card or other valid documents or proof evidencing his/her identity, and share account cards. If a proxy is appointed to attend the meeting on his/her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder.

Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. When the legal representative attends the meeting, he/she shall present his/her ID card and the valid evidence that proves his/her qualification as the legal person. When the agent attends the meeting, the agent shall present his/her identity card and the written power of attorney issued by the legal representative of the legal person shareholder.

**Article 73** When a general meeting is held, all Directors and secretary to the Board of the Company shall be present at the meeting, and senior management who are not Directors of the Company shall be present in a nonvoting capacity at the meeting unless there is reasonable ground.

**Article 74** The meeting register for the attendees shall be prepared by the Company. The register shall set out the names of the persons attending the meeting, their residential addresses, numbers of shares held or representing voting rights and names of the proxies.

**Article 75** The conveners shall verify the legality of the shareholders' qualifications according to the register of shareholders of the Company, and register their names or titles and the number of the voting shares they hold respectively. The meeting registration shall be terminated by the time the meeting presider announces the number of shareholders and proxies present in person at the meeting as well as the total number of shares with voting rights they hold.

**Article 76** The general meeting shall be presided over by the Chairman of the Board. If the Chairman of the Board is unable or fails to perform his/her duties, a Director jointly elected by more than half of the Directors shall preside over the meeting.

A general meeting convened by the audit committee shall be presided over by the convener of the audit committee. When the convener of the audit committee is unable or fails to perform his/her duty, a member of the audit committee jointly elected by more than half of the members of the audit committee shall preside over the meeting.

A general meeting convened by the shareholders shall be presided over by a representative elected by the convener.

During the course of a general meeting, if the Chairman of the meeting violates the procedural rules such that the meeting cannot be continued, the shareholders in the general meeting may elect one person to act as the Chairman of the meeting to continue the meeting so long as the proposed chairman has the consent of more than half of the shareholders with voting rights who are present at the meeting. If the shareholders cannot elect the presider for any reason, the shareholder present and holding the largest number of shares with voting rights (including the proxy) shall serve as the presider of the meeting.

**Article 77** The Company shall formulate Rules of Procedure for the General Meeting, and specify the convening, holding and voting procedures of the general meeting, including notice, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and signing thereof, as well as the principle of authorization of the general meeting to the Board. The content of authorization shall be clear and specific. The Rules of Procedure for the General Meeting shall be formulated by the Board and approved by the general meeting.

**Article 78** At the annual general meeting, the Board shall make a report on their works in the past year to the general meeting.

**Article 79** The Directors and senior management shall provide explanations and statements relating to the queries and suggestions put forward by the shareholders at the general meeting, unless business secrets of the Company are involved and shall not be disclosed at the general meeting.

**Article 80** The meeting presider shall announce the number of shareholders and proxies present and the total number of shares with voting rights they hold before voting. To determine the number of shareholders and proxies present and the total number of shares with voting rights they hold, the meeting register shall prevail.

**Article 81** The general meeting shall have meeting minutes, and the secretary to the Board shall be responsible for the meeting minute. The meeting minute shall contain the following contents:

- (I) time, venue and the agenda of the meeting, and the name or title of the convener;
- (II) the names of the meeting presider and the Directors and senior management attending meeting as non-voting attendee;

- (III) number of shareholders and proxies present at the meeting, total number of voting shares held and their respective proportions in the total number of shares of the Company;
- (IV) deliberations on each proposal, key points and the voting results;
- (V) queries and suggestions of the shareholders and the corresponding answers or explanations;
- (VI) names of the vote counter and the scrutineer;
- (VII) other contents that should be included in the meeting minutes according to the Articles of Association.

**Article 82** The convener shall guarantee the authenticity, accuracy and integrity of the contents of the meeting minutes. The Directors, secretary to the Board, convener or their representative who attend or sit in on the meeting, and the Chairman of the meeting shall sign the meeting minutes. The meeting minutes shall be maintained together with the register of names of the shareholders present, the power of attorney for attendance, and the valid documents for the on-line and other forms of voting for a period of not less than 10 years.

**Article 83** The convener shall warrant that the general meeting will proceed continuously until the final resolution is made. If the general meeting is suspended or the resolution cannot be made due to force majeure or other special cause, necessary measures shall be taken to restore the general meeting or directly terminate the general meeting, and public announcement shall be made in time.

## **Section VI Voting and Resolutions at the General Meeting**

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

Ordinary resolutions of a general meeting shall be adopted by more than half of the voting rights held by the shareholders present at the meeting.

Special resolutions of a general meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders present at the meeting.

**Article 85** Shareholders shall exercise their voting rights by the number of voting shares they represent, and each share shall have one vote.

The Company shares held by the Company shall have no voting right, and those shares are not included in the total number of voting shares present at the general meeting.

If in accordance with the applicable laws and regulations and the listing rules of the stock exchange where the Company's shares are listed, any shareholder is required to abstain from voting or is restricted to voting for or against any individual matter under consideration, any vote by the shareholder (or his/her proxies) in contravention thereof shall not be counted into the voting result.

The Board of the Company, independent non-executive directors, and shareholders meeting the relevant conditions may publicly solicit the voting rights from the shareholders. When soliciting voting rights from the shareholders, the specific voting intention and other information shall be fully disclosed to the solicitation targets. Solicitation of shareholder voting rights in a paid or disguised paid way shall be prohibited. The Company shall not impose restrictions on the minimum shareholding proportion against the solicitation of shareholder voting rights.

**Article 86** The following matters shall be resolved by way of ordinary resolution of the general meeting:

- (I) to elect and replace Directors who are not employee representatives, and to decide on matters relating to their remuneration;
- (II) to review and approve the reports of the Board;
- (III) to review and approve the annual financial accounting plans of the Company;
- (IV) to review and approve the profit distribution plan and loss recovery plan of the Company;
- (V) to review and approve the change of use of proceeds;
- (VI) to make a resolution on the engagement or removal of the accounting firm that provides audits for the Company;
- (VII) any matters not otherwise required by the laws, administrative regulations or the Articles of Association to be adopted by special resolutions.

**Article 87** The following matters shall be resolved by way of special resolution of the general meeting:

- (I) to make resolutions concerning the increase or reduction of the Company's registered capital;
- (II) to make resolutions on the issuance of corporate share certificates and bonds;
- (III) to make resolutions on matters such as the merger, division, dissolution, liquidation or change in the organizational form of the Company;
- (IV) to make amendment(s) to the Articles of Association;
- (V) to review the major external guarantees of the Company;
- (VI) to consider the Company's purchase or disposal of major assets within one year of an aggregate value exceeding 30% of the latest audited total assets of the Company;
- (VII) to review and approve stock incentive scheme and Employee Stock Ownership Plan;

(VIII) to review and approve other matters that shall be decided by the general meeting in accordance with laws, administrative regulations, departmental rules, listing rules or the Articles of Association, and matters which, according to an ordinary resolution of the general meeting, may have a significant impact on the Company and shall be adopted by way of a special resolution.

**Article 88** When the connected transactions are considered at the general meeting, the interested shareholders shall not participate in voting, and the number of voting shares represented by them shall not be counted into the total number of valid votes.

When the general meeting reviews the connected transactions, the connected shareholders shall abstain from the review; if the connected shareholders are required to attend the meeting to make an explanation, the connected shareholders shall attend the meeting and make a truthful explanation.

Matters concerning the avoidance of connected shareholders and their non-participation in voting shall be announced by the Chairman of the meeting at the beginning of the meeting.

The Company shall facilitate the shareholders' attendance to the general meeting by various means (including providing telephone, fax, video, network and other modern information technology means), while ensuring the legality and validity of the general meeting.

**Article 89** The name list of candidates for Directors shall be included in a proposal to be submitted to the general meeting for voting.

During voting at the general meeting on election of Directors, cumulative voting system may be implemented.

The cumulative voting system indicates that each share has the number of voting rights identical to the number of Directors to be elected, and the voting rights owned by the shareholders may be cumulatively used when the general meeting elects the Directors.

The implementation rules of the cumulative voting system are as follows:

- (I) where the cumulative voting system is adopted for the election of Directors, the candidates shall be listed separately in different resolution groups for submission to the general meeting according to the categories of independent non-executive Directors, non-independent non-executive Directors;
- (II) shareholders attending the general meeting shall, have the same number of votes for each share held as the number of Directors to be elected under each resolution group for which the cumulative voting system is adopted;
- (III) the shareholders may cast all their votes on one candidate or split them on a few candidates. Shareholders shall vote within the limit of the number of votes of each resolution group. In the event that the number of votes cast by the shareholder exceeds

the number of the votes he/she holds, or in the competitive election, the shareholder casts votes in a way that exceeds the actual number of Directors to be elected, the vote on such resolution shall be deemed invalid;

(IV) the cumulative number of votes cast for each resolution shall be counted separately after the close of voting.

The Board shall provide the shareholders with the resumes and basic information of the candidates for Directors, including at least the following contents:

- (I) personal particulars such as education background, working experience and any concurrent positions;
- (II) whether he/she is affiliated with the Company or the controlling shareholder and actual controller of the Company;
- (III) number of shares of the Company such candidates hold;
- (IV) any penalties imposed by CSRC and other relevant authorities and punishments imposed by the stock exchanges;
- (V) any other matters required to be disclosed by the listing rules of the place where the Company's shares are listed.

**Article 90** The nomination methods and procedures for the election of Directors are as follows:

- (I) Shareholders who hold individually or in aggregate more than 1% of the total number of voting shares issued by the Company may recommend the candidates for Directors other than the employee representatives to the general meeting in the form of written proposals, provided that the number of nominees shall meet the provisions of the Articles of Association and shall not exceed the number of persons to be elected. The aforesaid proposal submitted by a shareholder to the Company shall be delivered to the Company at least 7 days prior to the date of the general meeting.
- (II) The Board may, within the number of persons specified in the Articles of Association and according to the number of persons to be elected, put forward a suggested list of candidates for Directors, and submit to the Board for review. The Board shall, after review and deciding the candidates for Directors through resolutions, submit them to the general meeting in the form of written proposals. The nomination of candidates for independent non-executive Director shall be made in accordance with laws and regulations, and the regulatory rules of the place where the Company's shares are listed.
- (III) A written notice of the intention to nominate a person for election as a Director and a written notice by that person expressly indicating his/her acceptance of such nomination as well as relevant written materials of that person shall be given to the Company no earlier than the day after the notice of the general meeting is distributed and no later

than seven days before the date of the general meeting. The period for nomination and acceptance of nomination shall not be less than seven days. The Board shall provide the shareholders with the resumes and basic information of the candidates for Directors.

(IV) The general meeting shall vote on each candidate for Director one by one.

(V) In case of temporary addition of Directors, the Board shall put forward a proposal to the general meeting for election or replacement.

**Article 91** In addition to the cumulative voting system, the general meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.

**Article 92** When considering a proposal, the general meeting shall not revise it; and in the event of any amendment, it shall be deemed as a new proposal and may not be voted at the current meeting.

**Article 93** The same voting right shall only be exercised on site or by other means. Where the same vote is cast for two or more times, the first cast shall hold.

**Article 94** The general meeting shall vote by open ballot. Where the laws and regulations, the securities regulatory authorities or the stock exchange in the place where the Company's shares are listed have other provisions regarding the voting method at the general meeting, such provisions shall prevail.

**Article 95** Before the relevant proposal is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is interested in the matter under consideration and his/her proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.

At the time of deciding on a proposal by voting at a general meeting, the shareholder representatives shall count and scrutinize the votes, and announce the voting result forthwith. The voting result in connection with the resolution shall be recorded in the minutes of meeting.

**Article 96** The presider of the meeting shall announce the voting status and results of each proposal and announce whether the proposal is adopted or not based on the voting results.

Prior to the formal announcement of the voting results, the relevant parties involved in relation to voting on the site of the general meeting, by fax or by other means, including the companies, the persons responsible for counting votes and scrutinizing the voting, and shareholders, shall be obliged to keep the voting status confidential.

**Article 97** The shareholders attending the general meeting shall express one of the following opinions on the proposal to be voted on: for, against, or abstain.

An unfilled, wrongly filled, or illegible vote, or an uncast vote shall be deemed to be a waiver of the voting right of the voter, and the voting result for the number of shares he/she holds shall be accounted as “abstain”.

**Article 98** If the presider of the meeting has any doubts as to the result of a resolution which has been put to vote at the general meeting, he/she may have the votes counted. If the presider of the meeting has not counted the votes, any shareholder present in person or by proxy who objects to the result announced by the presider of the meeting may, immediately after the declaration, demand that the votes be counted, and the presider of the meeting shall have the votes counted immediately.

**Article 99** Where proposed resolutions in relation to the election of Directors are adopted at a general meeting, unless otherwise stipulated in the resolution of the general meeting, the new Directors shall take office on the date on which the resolution of the general meeting is adopted.

**Article 100** If the general meeting passes the proposal on cash dividends, scrip issue or conversion of capital reserve into share capital, the Company shall implement the relevant plan in 3 months after the end of the general meeting.

## CHAPTER V PARTY ORGANIZATION

**Article 101** A CPC committee of Deewin Tianxia Co., Ltd (the “**Party Committee**”) is established with the approval of the higher-level party organization in accordance with the provisions of the Party Constitution.

**Article 102** The Party Committee of the Company shall be elected by the Party member meeting or the Party member representative meeting.

**Article 103** The Company shall have one secretary to the Party Committee.

**Article 104** The Party Committee of the Company shall play a leading role in guiding the direction, managing the overall situation, ensuring implementation, and discussing and deciding major matters of the Company in accordance with regulations. The main duties of the Party Committee are:

- (I) to strengthen the political construction of the Party in the Company, adhere to and implement the fundamental, basic and important systems of socialism with Chinese characteristics, and educate and guide all Party members to maintain a high degree of consistency with the CPC Central Committee with Comrade Xi Jinping at its core on their political stance, direction, principles, and path;
- (II) to thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, study and publicize the Party’s theories, implement the Party’s principles and policies, and supervise and ensure that the major decision-making arrangements of the CPC Central Committee and the resolutions of higher-level Party organizations are implemented in the Company;

- (III) to study and discuss major business management matters of the Company, and support the general meeting, the Board and the management in exercising their powers in accordance with the law;
- (IV) to strengthen the leadership and control of the Company's selection and employment of personnel, and pay attention to the construction of the leadership team, the cadre team and the talent team;
- (V) to fulfill the main responsibility of the construction of the Company's Party conduct and integrity, lead and support the internal discipline inspection organization to supervise and enforce discipline and accountability, strictly clarify political discipline and political rules, and extend comprehensive and strict Party self-governance down to the grassroots;
- (VI) to strengthen the construction of grass-roots Party organizations and Party members, and unite and lead the employees to actively participate in the Company's reform and development;
- (VII) to lead the ideological and political work, spiritual civilization construction, and united front work of the Company, and lead the Company's trade unions, Communist Youth League, women's organizations and other group organizations.
- (VIII) to discuss and decide other important matters within the scope of authority of the Party Committee.

**Article 105** The major operation and management matters of the Company shall be studied and discussed by the Party Committee before decisions are made by the Board or the management.

**Article 106** The Company will adhere to and improve the leadership mechanism of "cross appointment". Qualified members of the Party Committee may be adopted by the Board and the management through legal procedures, and qualified Party members among the members of the Board and the management may be adopted by the Party Committee in accordance with relevant regulations and procedures.

The secretary of the Party Committee shall be the general manager of the Party member.

## **CHAPTER VI BOARD OF DIRECTORS**

### **Section I Directors**

**Article 107** The Directors of the Company are natural persons. In the conditions as set out below, the following persons shall not serve as Directors of the Company:

- (I) persons without capacity or with limited capacity for civil acts;

- (II) persons who were sentenced for crimes of corruption, bribery, embezzlement or misappropriation of property or disruption of the order of socialist market economy, where five years have not elapsed following the serving of the sentence, or, in the case of probation, where two years have not elapsed following the expiration of the probation period;
- (III) persons who were former Directors, factory managers or managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;
- (IV) persons who were legal representatives of a company or enterprise which had its business license revoked and had been ordered to shut down due to violation of the laws and who were personally liable, where less than three years have elapsed since the date of the revocation or order of shutdown;
- (V) persons who have been listed as dishonest persons by the People's Court for having a substantial amount of debts due and outstanding;
- (VI) the person is currently being prohibited from participating in securities market by the CSRC and such barring period has not elapsed;
- (VII) any other contents required by laws, administrative regulations and departmental rules.

If a Director is elected or appointed in violation of this Article, such election, appointment or engagement shall be invalid. The Company shall dismiss a Director who falls under this article during his/her term of office and suspend him/her from performing his/her duties.

**Article 108** Directors of the Company who are not employee representatives shall be elected or replaced by the general meeting, and Directors who are employee representatives shall be elected or replaced by the general meeting of employees of the Company. The Directors shall have a term of office of three (3) years. Upon the expiration of the term, the Directors may be re-elected and serve consecutive terms. Before the expiration of a Director's term, his/her duties shall not be released by the general meeting without reason.

The term of office of Directors shall last from the date on which the Directors take office to the expiration of the term of office of the current Board. If the term of office of a Director expires but the Director fails to be re-elected in time, the former Director shall, before the newly elected Director takes office, still perform the duties of the Director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

**Article 109** In compliance with the laws, administration regulations and the Articles of Association, the Directors shall perform the following obligations of loyalty to the Company, take measures to avoid any conflict of interests with the Company, and shall not use their duties and powers to obtain improper benefits:

- (I) not to embezzle or misappropriate the property or funds of the Company;
- (II) not to open accounts in their own names or names of other individuals for the deposit of the assets or funds of the Company;
- (III) not to use their duties and powers to give or accept bribes or other illegal income;
- (IV) not to enter into any contract or transaction, directly or indirectly, with the Company without reporting to the Board or the general meeting and approval by a resolution of the Board or the general meeting in accordance with the provisions of the Articles of Association;
- (V) not to use the advantages of his/her position to obtain for himself/herself or for others business opportunities attributable to the Company, unless it has been reported to the Board or the general meeting and approved by a resolution of the general meeting, or the Company is forbidden to use such business opportunities in accordance with the provisions of laws, administrative regulations or the Articles of Association;
- (VI) not to operate a business similar to that of the Company for his/her own account or on behalf of others without reporting to the Board or the general meeting and approval by a resolution of the general meeting;
- (VII) not to accept commissions from others on transactions with the Company for their own benefit;
- (VIII) not to disclose secrets of the Company without authorization;
- (IX) not to use their connected relations to impair the interests of the Company;
- (X) other obligations of loyalty stipulated by laws, administrative regulations, department rules and the Articles of Association.

The income obtained by the Directors in violation of the provisions of this Article shall belong to the Company; losses caused to the Company by such persons shall be indemnified by the same.

The provision of paragraph 2(IV) of this Article shall apply to the entering into of contracts or transactions with the Company by the close relatives of its Directors or senior management, enterprises directly or indirectly controlled by the Directors or senior management or their close relatives, and associates who have other related relationships with the Directors or senior management.

**Article 110** In compliance with the laws, administration regulations and the Articles of Association, the Directors shall perform obligations of diligence to the Company and exercise the reasonable care normally expected of management personnel in the best interests of the Company in the performance of their duties. The Directors shall have the following obligations of diligence to the Company:

- (I) to exercise the rights conferred by the Company prudently, conscientiously and diligently to ensure that the Company's commercial acts comply with the requirements of national laws and administrative regulations and various national economic policies, and that its commercial activities do not exceed the scope of business specified in the business license;
- (II) to treat all shareholders fairly;
- (III) to keep abreast of the Company's business operation and management status;
- (IV) to ensure that the information disclosed by the Company is true, accurate and complete;
- (V) to truthfully provide relevant information and materials to the audit committee and shall not impede the audit committee in the exercise of their duties and powers;
- (VI) other obligations of diligence as stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

**Article 111** If the Director fails to attend the Board meeting in person or entrust any other Directors to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board shall propose to the general meeting to remove such Director.

**Article 112** A Director may resign before the expiration of his/her term. The resignation of a Director shall be submitted to the Board in a written resignation report. The Board shall disclose the relevant information within two days.

If the resignation of a Director causes the number of the members of the Company's Board of Directors to be below the quorum, the former Director shall, before the newly elected Director takes office, still perform the duties of a Director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

**Article 113** When a Director's resignation takes effect or his/her term of office expires, the Director shall complete all handover procedures with the Board, and his/her fiduciary duties to the Company and shareholders shall not be discharged after the termination of office, but shall remain valid within three years after his/her term of office. Responsibilities that should be undertaken by a Director in connection with his/her performance of duties during his/her term of office shall not be waived or terminated as a result of such departure.

The duty of confidentiality of Directors in relation to business secrets of the Company survives the termination of their tenure until such business secrets become public. The duration of other fiduciary duties shall be determined in accordance with principle of fairness, depending on the time lapse between the termination and the occurrence of the matter as well as the circumstances and conditions under which the relationship with the Company is terminated.

The general meeting may resolve to terminate the appointment of a Director, and the termination shall take effect on the date of the resolution.

If a Director is dismissed before the expiration of his/her term of office without a valid reason, the Director may request the Company to make compensation.

**Article 114** Without the provisions of the Articles of Association and the lawful authorization of the Board, no Director shall act on behalf of the Company or the Board in his/her own name. Where a Director acts in his/her own name, the Director shall declare in advance his/her position and identity in the case that a third party would reasonably believe that the Director is acting on behalf of the Company or the Board.

**Article 115** If a Director causes damages to others in performing duties for the Company, the Company shall be liable for compensation; and if such damages are out of the intent or gross negligence of the Director, he/she shall also be liable for compensation.

A Director that violates laws, administrative regulations, departmental rules or the Articles of Association and causes losses to the Company in performing duties of the Company shall be liable for compensation.

**Article 116** Any Director whose term of office has not yet expired shall be liable for compensation for any loss caused to the Company by his/her resignation without authorization.

Subject to the provisions of the relevant laws and administrative regulations and the listing rules of the place where the Company's securities are listed, any Director (including the managing director or other Executive Directors) whose term of office has not expired may be removed from office by an ordinary resolution of the general meeting, provided that any claim which such Director may have under any contract shall not be affected thereby.

The term of office of Directors shall last from the date on which the Directors take office to the expiration of the term of office of the current Board. If the term of office of a Director expires but the Director fails to be re-elected in time, the former Director shall, before the newly elected Director takes office, still perform the duties of the Director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

## **Section II Independent non-executive Directors**

**Article 117** The Company shall establish an independent non-executive Director system. The term "independent non-executive director" means a Director who does not hold any position in the Company other than Director and who has no relationship with the Company or its substantial shareholder(s) (only for the purpose of this section, substantial shareholders are those

shareholders individually or jointly holding more than 5% of total number of the Company's shares with voting rights) that could hinder his or her independent and objective judgments, and who is in compliance with independence provisions of the listing rules in the place where the Company's shares are listed. Independent non-executive Directors shall account for at least more than one third of the members of the Board of the Company and shall not be less than three, at least one of whom shall be a financial or accounting professional. Moreover, at least one of the independent non-executive Directors of the Company must be ordinarily resident in Hong Kong. Independent non-executive Directors shall faithfully fulfill their duties and protect the Company's interests, and in particular prevent the legal interests of public shareholders from being harmed, so as to ensure that the interests of all shareholders are fully represented.

The term of office for independent non-executive Directors shall be three years, and eligible to offer himself for re-election, but shall not exceed six years, unless otherwise provided by relevant laws, regulations and the listing rules of the stock exchange where the Company's shares are listed.

If an independent non-executive Director fails to meet the conditions of independence or other circumstance arises which makes it inappropriate for him or her to perform his or her duties and responsibilities as an independent non-executive Director, thereby causing the failure of the Company to meet the requirements of the Articles of Association concerning the number of independent non-executive Directors, the Company shall make up the number of independent non-executive Directors in accordance with regulations.

**Article 118** The independent non-executive Directors shall meet the following basic requirements:

- (I) to comply with laws, administrative regulations, listing rules of the stock exchange where the Company's shares are listed and other relevant provisions;
- (II) to be qualified as a Director of the listed company;
- (III) to have the independence specified in the listing rules of the stock exchange where the Company's shares are listed;
- (IV) to have the basic knowledge of operation of the listed company and be familiar with the relevant laws, administrative regulations, rules and regulations;
- (V) to have more than 5 years of legal, economic or other work experience necessary to perform the duties of an independent non-executive Director;

Other conditions specified in the Articles of Association.

**Article 119** Independent non-executive Directors shall not be removed without just cause before the expiration of their term of office. If the Company removes any independent non-executive Director before the expiration of his/her tenure, the Company shall disclose it as a special disclosure matter.

If an independent non-executive Director fails to attend the Board meeting in person for two consecutive times, the Board shall propose to the general meeting for removal.

**Article 120** With respect to the system of independent non-executive Directors, if not provided for in this section, the relevant provisions of the relevant laws, rules and regulations and the listing rules of the stock exchange on which the Company's shares are listed shall be followed.

### **Section III The Board of Directors**

**Article 121** The Board of Directors consists of nine Directors, including three independent non-executive Directors and one Director who is an employee representative. The Board of Directors shall have one chairman to be elected by more than half of all Directors of the Board.

The senior management may concurrently serve as a Director, but the total number of Directors who also hold senior management positions shall not exceed one-half of the total number of Directors of the Company.

**Article 122** The Board of Directors shall exercise the following duties and powers:

- (I) to convene general meetings and report to general meetings;
- (II) to implement the resolutions of the general meeting;
- (III) to determine the operation plans, investment plans, investment proposals and financing proposals of the Company;
- (IV) to determine the annual financial budget plans of the Company;
- (V) to formulate the annual financial accounting plans of the Company;
- (VI) to formulate the profit distribution plans and loss recovery plans of the Company;
- (VII) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;
- (VIII) to formulate plans for substantial acquisition, repurchase of the Company's shares, or merger, division, dissolution and change of corporate form of the Company;
- (IX) to determine the matters such as external investment, acquisition and sale of assets, pledge of assets, external guarantee, entrusted wealth management, debt financing, connected transactions and external donations of the Company other than those matters that shall be considered and approved by the general meeting;

- (X) to determinate the structure of the Company's internal management organization;
- (XI) to appoint or dismiss the general manager and Secretary to the Board of the Company; to appoint or dismiss the deputy general manager and financial officer of the Company according to the nomination of the general manager, and to decide on matters of their remuneration, rewards and punishments;
- (XII) to develop the basic management system of the Company; (XIII) to formulate the amendment to the Articles of Association;
- (XIV) to manage the information disclosure of the Company;
- (XV) to propose to the general meeting the engagement or replacement of the accounting firm that provides audits for the Company;
- (XVI) to debrief the work report of the general manager of the Company and check the works of the general manager;
- (XVII) other functions and powers granted by the laws, administrative regulations, departmental rules and the Articles of Association.

**Article 123** The Board of the Company shall make explanations to the general meeting on the non-standard audit opinions issued by the certified public accountants on the Company's financial reports.

**Article 124** The Board shall formulate the Rules of Procedures of Meetings of the Board to ensure the implementation of the resolutions of the general meeting, its work efficiently and decision making in proper manner. The Rules of Procedures of Meetings of the Board provides for the convening and voting procedures for the meeting of the Board, which shall be formulated by the Board and approved at the general meetings.

**Article 125** In cases where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets disposed within four months before the proposed disposal, exceeds one third of the fixed assets value set out in the latest balance sheet reviewed by the general meetings, the Board shall not dispose or consent to dispose such fixed assets without prior approval at the general meetings.

The disposal of fixed assets as mentioned in this Article includes the transfer of certain interests of assets but excludes the provision of fixed assets as security.

The validity of the transactions for the disposal of fixed assets conducted by the Company shall not be affected by the breach of the first paragraph of this Article.

**Article 126** The Board shall decide the authority of external investment, acquisition and disposal of assets, asset mortgages, external guarantee, entrusted wealth management and connected transactions, and set up strict review and decision-making procedures; for important investment projects, relevant experts and professionals shall be organised to conduct evaluation and report at the general meeting for approval; important matters and material connected transactions shall be reported at general meeting for approval after being considered and approved by the Board.

The Board formulates a detailed investment decision system for the Company's investment decision power division, decision-making procedures and decision contents, to the extent authorised by the general meeting.

**Article 127** The Chairman of the Board shall serve for a term of three years, and eligible for re-election.

**Article 128** The Chairman of the Board shall perform the following duties and powers:

- (I) to preside over the general meetings, and to convene and preside over Board meetings;
- (II) to supervise and inspect the execution of the resolutions of the Board;
- (III) other authority and powers conferred by the Board.

**Article 129** Where the Chairman of the Board is unable to perform duties or fails to perform duties, more than half of the Directors shall elect one Director to perform duties.

**Article 130** The Board shall hold at least two meetings each year, which shall be convened by the Chairman and notified to all the Directors 14 days prior to the meeting in writing.

**Article 131** Shareholders representing more than one-tenth of the voting rights, and more than one-third of the Directors or the audit committee may propose an interim Board meeting. The Chairman of the Board shall convene and preside over a Board meeting within ten days after receiving the proposal.

**Article 132** The notice of interim board meeting held by the Board shall be served by hand, email or facsimile; the notice period shall be five days before the date of the meeting.

If an interim meeting of the Board needs to be held quickly due to urgent circumstances, a meeting notice may be given at any time by telephone or other oral method, provided that the convener gives an explanation thereof at the meeting and the same is entered into the meeting minutes.

**Article 133** The meeting notice of the Board meeting shall include the following:

- (I) date and venue of the meeting;

- (II) duration of the meeting;
- (III) reason for convening the meeting and agenda thereof;
- (IV) date of issue of the notice;
- (V) the way in which the meeting is held.

**Article 134** The meeting of the Board shall be held upon the attendance of more than half of the Directors. Unless otherwise specified in the Articles of Association and laws and regulations, a resolution made by the Board shall be approved by more than half of all the Directors.

When voting on Board resolutions, each Director shall have one vote.

**Article 135** Where a Director is connected to the enterprise or individual involved in the resolution of the Board meeting, he/she shall immediately report to the Board of Directors in writing. A connected Director shall not exercise the right to vote on the resolution, nor shall he/she exercise the right to vote on behalf of another Director. The Board meeting can be held by more than half of the uninterested Directors. The resolutions of the Board meeting shall be adopted by more than half of the uninterested Directors. If the number of uninterested Directors present at the Board meeting is less than three, the matter shall be submitted to the general meeting for consideration.

**Article 136** Votes on the resolutions at meetings of the Board shall be casted by disclosed ballot. If a Director attends a meeting held in person by telephone conference or by way of other such communication equipment, so long as the Directors attending the meeting in person can clearly hear what he or she says and communicate with him or her, all the Directors in attendance shall be deemed to have attended the meeting in person. Subject to ensuring the full expression by the Directors of their opinions at a meeting of the Board, votes may be held and resolutions may be adopted by means of correspondence, and such resolutions shall be signed by the Directors in attendance, but a regular meeting of the Board, a meeting at which a substantial shareholder (for the purpose of this section only, substantial shareholders refer to shareholders who individually or jointly hold more than 10% of total voting shares of the Company) or a Director has a conflict of interest in a matter to be considered which the Board has determined to be material and a meeting held to discuss the appointment and dismissal of the company secretary shall not be held by means of correspondence. A deadline shall be set for votes casted by means of correspondence, and if a Director fails to express his or her opinion by the specified deadline, he or she shall be deemed to abstain.

In order for the Board to consider and adopt a proposal for a meeting and form a relevant resolution, more than half of the total number of Directors of the Company shall vote in favor of the proposal. When the numbers of votes for and against are equal, the Chairman of the meeting is entitled to cast an additional vote. If laws and the Articles of Association require the consent of a larger number of Directors for the adoption of a resolution, such provisions shall prevail.

In case of any contradiction between the content and meaning of different resolutions, the latest formed resolution shall prevail.

The Board may hold an extraordinary general meeting and make resolutions by means of communication or facsimile signed by the Directors attending the meeting, provided that the Directors have fully expressed their opinions.

**Article 137** Directors shall attend meetings of the Board in person. In the event of a Director is unable to attend a meeting in person for any reason, he/she may appoint in writing another Director to attend the meeting on his/her behalf. The power of attorney shall contain the name of proxy, subject matters of representation, the scope of the authorisation and validity, and signed or sealed by the appointer. The proxy shall exercise the rights of a Director within the scope of the authorisation. A Director failing to attend the Board meeting in person or by proxy shall be deemed as having waived his/her voting rights at such meeting.

The general manager and the secretary to the Board, if they do not concurrently serve as Directors, shall attend meetings of the Board. When he/she deems it necessary, the meeting convener may notify other relevant persons to attend the meeting of the Board.

**Article 138** For any important matter subject to decision by the Board, all Directors must be given advance notice by the time as stipulated in the Articles and Association and provided with sufficient information, which shall be conducted in strict compliance with the prescribed procedures. The Directors are entitled to request supplementary information. If more than one-quarter of the Directors in attendance or more than two independent non-executive Directors believe that they are unable to reach a determination on a relevant matter because the proposal of the Board is unclear or unspecific, the meeting materials are insufficient or other such reason, they may jointly propose that discussion of the proposal be postponed to a later time. In such circumstances the Board shall accept the proposal.

The Directors who proposed postponement of the discussion shall put forth clear requirements in respect of the conditions that are to be satisfied for the proposal to be submitted again for consideration.

**Article 139** Matters determined in a Board meeting shall be recorded in minutes of meetings. Minutes of meetings shall be signed by Directors attending such meetings.

The Board may accept the Board meetings in the form of written resolutions in lieu of meetings on site. However, draft proposals of the meeting must be delivered to each Director by hand, post, fax or e-mail. If the proposal has been sent to all the Directors by the Board, and the number of the Directors who have signed the proposal sent to the secretary to the Board by the aforesaid means satisfies the statutory quorum, the said proposal shall be deemed to be a resolution of the Board and have the same legal effect as a resolution passed at a Board meeting held in accordance with the procedures specified in relevant provisions of these Articles of Association. Matters determined in a Board meeting shall be recorded in minutes of meetings. Minutes of meetings shall be signed by Directors and recorder attending such meetings. The Directors shall be liable for the resolutions of the Board. Where a resolution of the Board violates laws, administration regulations or the Articles of Association, thereby causing serious losses to

the Company, the Directors who took part in the resolution shall be liable for the damages to the Company. However, where a Director can prove that he/she expressed his/her opposition to such a resolution when it was put to be voted on, and that such an opposition was recorded in the minutes of the meeting, the Director may be relieved from such liabilities.

The minutes of Board meetings shall be kept in corporate archives for a period of no less than ten years.

**Article 140** The minutes of the Board meeting shall contain the following information:

- (I) date and venue of the meeting and the name of the convener;
- (II) names of the Directors present and of Directors (agents) appointed by others to attend the Board meeting;
- (III) agenda of the meeting;
- (IV) main points made by the Directors;
- (V) manner of voting and the result of each resolution matter (the voting result shall contain the number of votes for, against or abstention).

#### **Section IV Special Committees Under the Board of Directors**

**Article 141** Where necessary, the Board establishes three special committees, including the nomination committee, audit committee and remuneration committee, to provide advice and suggestions for the material decisions of the Board and the exercise of duties by the Chairman of the Board within the scope of authorisation of the Board. Among other things, the audit committee is required to exercise the duties and powers of the Supervisory Committee under the Company Law. The Board may establish other special committees as required. The Board shall develop separate terms of reference for each of the special committees of the Board to determine the composition, duties and procedures of meetings of such special committees. These special committees shall not make any decision in the name of the Board. However, the committees may exercise the right to make decision in respect of the authorised matters according to the special authorisation of the Board.

#### **CHAPTER VII SECRETARY TO THE BOARD**

**Article 142** Where necessary, the Company shall have one secretary to the Board nominated by the Chairman of the Board, who shall be engaged and dismissed by the Board. The secretary to the Board shall be a member of the senior management of the Company and be accountable to the Company and the Board.

**Article 143** The secretary to the Board shall be a natural person with the necessary professional knowledge and experience. He/she shall be appointed by the Board. The main duties of the secretary to the Board are as set forth below:

- (I) to prepare and deliver reports and documents issued by the Board and general meetings as required by competent authorities;
- (II) to prepare and deliver reports and documents of the Board and general meetings;
- (III) to prepare the Board meeting and general meetings according to legal procedures, attend the Board meeting and take minutes, and sign on the minutes of meeting to ensure its accuracy;
- (IV) to be responsible for the confidentiality of information and draw up security measures. Take timely remedial measures to explain and clarify it upon divulging of insider information;
- (V) to be responsible for coordinating and organizing the disclosure of the information of the Company, establishing a sound information disclosure system, attending the meetings relating to the information disclosure, and keeping abreast of the material business operating decisions of the Company and other relevant information;
- (VI) to be responsible for keeping the register of the shareholders, the register of Directors, the materials on the holding of shares by substantial shareholders and Directors, and the seals of the Board, and keeping documents and minutes of the Board of the Company and general meetings;
- (VII) to help Directors and senior management members of the Company to understand their responsibilities conferred by laws, regulations, the Articles of Association and regulations;
- (VIII) to assist the Board in exercising its powers legally, and where the resolution of the Board violates the laws and regulations, the Articles of Association and relevant stipulations, raise a timely objection, and if the Board insists on making such resolution, take minutes about such situation and submit it immediately to all the Directors of the Company;
- (IX) to provide advices and suggestion for making significant decisions;
- (X) to perform other duties as stipulated in laws, regulations and the Articles of Association, and as required by security regulator of locality on which the Company's shares are listed.

## **CHAPTER VIII GENERAL MANAGER AND SENIOR MANAGEMENT**

**Article 144** The Company has one general manager, who will be appointed or dismissed by the Board.

The Company has several deputy general managers and one chief financial officer, who will be appointed or dismissed by the Board.

**Article 145** Article 107 of the Articles of Association concerning the circumstances under which a person may not serve as a Director shall also apply to the senior management.

The provisions of Article 109 concerning the obligations of loyalty and Article 110 concerning the obligations of diligence of these Articles of Association shall also apply to senior management.

**Article 146** Staff of the controlling shareholder and actual controller of the Company and other related parties who serve administrative positions other than Directors shall not serve as senior management of the Company.

The senior management of the Company only receive salaries from the Company and are not paid by the controlling shareholder.

**Article 147** The general manager shall serve terms of three years and may serve consecutive terms if reappointed.

**Article 148** The general manager shall be accountable to the Board and exercise the following functions and powers:

- (I) to be in charge of the production, operation and management of the Company, to organise the implementation of the resolutions of the Board, and to report on his or her work to the Board;
- (II) to arrange for the implementation of the Company's annual business plans and investment plans;
- (III) to draft the plan for establishment of the Company's internal management organisation;
- (IV) to draft the Company's basic management system;
- (V) to formulate the detailed rules and regulations of the Company;
- (VI) to request the Board to engage or dismiss deputy general manager and chief financial officer;
- (VII) to decide on the appointment or dismissal of management personnel other than those to be engaged or dismissed by the Board;
- (VIII) other functions and powers granted by the Articles of Association or the Board.

The general manager shall attend meetings of the Board. The general manager who is not a Director has no right to vote at Board meetings.

**Article 149** The general manager shall formulate the Working Rules of the General Manager, which shall be submitted to the Board for approval before implementation.

**Article 150** The Working Rules of the General Manager shall include the following:

- (I) the conditions, procedures and participants of convening the general manager's meeting;
- (II) the respective specific responsibilities of the general manager and senior management members other than the general manager and their division of labor;
- (III) the Company's use of funds and assets, the authority to enter into major contracts, and the reporting system to the Board of Directors;
- (IV) other matters deemed necessary by the Board of Directors.

**Article 151** The general manager may resign before the expiration of his/her term of office. The specific procedures and methods for the resignation of the general manager shall be stipulated in the employment contract between the general manager and the Company.

**Article 152** If a senior management member violates the laws, administrative regulations, departmental rules and the Articles of Association while performing his/her duties and causes losses to the Company, he/she shall be liable for compensation.

## **CHAPTER IX FINANCIAL AND ACCOUNTING SYSTEMS, AND DISTRIBUTION OF PROFITS AND AUDIT**

### **Section I Financial and Accounting Systems**

**Article 153** The Company shall formulate its financial and accounting systems in accordance with the laws, administrative regulations and the standards formulated by relevant state authorities.

**Article 154** The Company shall, at the end of each fiscal year, prepare a financial report, which shall be audited by the accounting firm according to law.

The fiscal year of the Company shall adopt the calendar year. A fiscal year shall be from 1 January to 31 December each year. The Company adopts RMB as its functional currency, and the accounts are written in Chinese.

**Article 155** The Company shall prepare its interim financial report within 60 days after the end of the first six months of the fiscal year and its annual financial report within 120 days after the end of each fiscal year.

The above-mentioned financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations and departmental rules.

**Article 156** The Board shall submit to the shareholders at each annual general meeting the financial reports that the Company is required to prepare according to the relevant laws.

**Article 157** The financial reports of the Company shall be made available for inspection at the Company by shareholders 20 days prior to an annual general meeting. Each shareholder of the Company shall have the right to obtain a copy of the financial reports referred to in this chapter.

The Company shall send the aforesaid report or the report of the Board together with the balance sheet (including the documents required by applicable laws to be appended to the balance sheet), statement of profit and loss, statement of income and expenditure, or summary financial report to each shareholder of overseas listed foreign shares by postage prepaid mail at the recipient's address shown in the register of shareholders no later than 21 days prior to an annual general meeting. The notice of general meeting may be made in the form of announcement (including through the website of the Company), subject to the compliance with the laws, administrative regulations and the listing rules of the place where the Company's shares are listed.

**Article 158** The Company shall not set up any other accounting books except for the legal accounting books. The funds of the Company shall not be deposited into an account established in the name of any individual.

**Article 159** When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. The Company may not withdraw statutory common reserve fund if the cumulative amount has exceeded 50% of the Company's registered capital.

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

After withdrawing the statutory common reserve fund from the after-tax profit by the Company, the discretionary reserve may be withdrawn from the after-tax profit with the approval from the general meeting.

After the Company has made up its losses and made allocations to its common reserves, the remaining after-tax profits shall be distributed in proportion to the shareholdings of its shareholders, unless these Articles of Association provide that distributions are to be made otherwise than proportionally.

If the general meeting violates the Company Law and distributes profits to shareholders, the shareholders shall return the profits distributed in violation of the provisions to the Company; and in the event of any loss caused to the Company, the shareholders and the relevant Directors and senior management shall be liable for compensation.

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

**Article 160** The Company's common reserves shall be used to make up the Company's losses, to expand the Company's production and operations or, through conversion into capital, to increase the Company's registered capital.

In the case of making up the Company's losses, the discretionary common reserve and legal common reserve shall be utilized firstly; and, if any shortfall, the capital common reserve may be utilized in accordance with the regulations.

When funds in the statutory common reserve are converted into capital, the funds remaining in such reserve will not be less than 25% of the Company's registered capital before the conversion.

**Article 161** Any amount paid up in advance of calls on any share may carry interest but shall not entitle the shareholder to participate in respect thereof in a dividend subsequently declared.

**Article 162** The Company shall appoint one or more collection agents for holders of overseas listed foreign shares in Hong Kong. The collection agents shall collect on behalf of the relevant shareholders the dividends distributed and other funds payable by the Company in respect of the overseas listed foreign shares, and hold such monies in their custody pending payment to the shareholders concerned.

The collection agents appointed by the Company shall meet the requirements of the laws of the place(s), or the relevant regulations of the securities exchange(s), where the shares are listed.

**Article 163** The Company may distribute dividends in either of the following manners (or both of them) for profit distribution policies:

- (I) cash;
- (II) share certificates.

**Article 164** The Company's profit distribution policy is as follows:

- (I) the Company shall give full consideration to the return to investors, and if the profit of the year, and the accumulated undistributed profits are positive, and the legal reserve and surplus reserve are fully set aside, the Board of the Company shall propose a profit distribution plan according to the profitability and business plan of the Company and submit it to the shareholders' general meeting for approval.

Notwithstanding the foregoing, the Board may, in accordance with the authorization given to the Board by the shareholders' general meeting, pay to the shareholders of the Company from time to time such interim dividends as the Board deems permissible in view of the profitability of the Company, without the need to obtain the prior consent of the shareholders' general meeting.

- (II) the Company's profit distribution policy shall maintain continuity and stability, for the long-term interest of the Company, in the interest of all shareholders as a whole, and for sustainable development of the Company.

- (III) the Company shall distribute profits in cash, stock or a combination of cash and stock in accordance with the proportion of shares held by shareholders, and the profits distributed each year shall not be less than fifty percent of the parent company's profits available for distribution realized in that year, and shall be distributed within the following year.
- (IV) in the event of force majeure such as war, natural disasters, or changes in the Company's external business environment that have a significant impact on the Company's production and operation, or significant changes in its own operating conditions, the profit distribution policy may be adjusted upon proposal by the Board and consideration and approval by the general meeting.
- (V) the adjustment plan of profit distribution policy shall be prepared by the Board and considered and approved by the general meeting. The adjusted profit distribution policy shall not violate laws, regulations, departmental rules, normative documents and the relevant provisions of these Articles of Association.

**Article 165** When a resolution is made by the general meeting on the profit distribution scheme, or a resolution is made by the Board on the interim profit distribution scheme for the following year in accordance with the authorization of the general meeting, the Company shall complete the dividend (or share) distribution in three months after the resolution being made on profit distribution.

**Article 166** The Company shall pay cash dividends and other payments to holders of domestic shares in RMB. The Company shall pay cash dividends and other payments to the holders of overseas listed foreign shares, which shall be denominated and declared in RMB and paid in foreign currency. The foreign currencies required by the Company to pay cash dividends and other payments to the holders of overseas listed foreign shares and holders of other foreign shares shall be handled in accordance with relevant state regulations on foreign exchange control. Where the laws and regulations, departmental rules, regulatory documents, and regulatory authorities have special provisions on the distribution of dividends and other payments, such provisions shall prevail.

**Article 167** When the Company distributes dividends to shareholders, it shall withhold and pay on behalf of the shareholders the taxes payable on the dividend income of shareholders based on the amount distributed in accordance with the provisions of the Chinese tax law.

## **Section II Internal Audit**

**Article 168** The Company shall implement the internal audit system, which specifies the leadership mechanism, responsibility and authority, staffing, financial security, use of audit results and accountability in respect of internal audit work.

**Article 169** The Company's internal audit system shall be implemented upon the approval of the Board.

**Article 170** The internal audit organization of the Company supervises and inspects the business activities, risk management, internal control, financial information and other matters of the Company.

**Article 171** The internal audit organization shall be responsible to the Board of Directors.

The internal audit organization shall be subject to the supervision and instruction of the audit committee in the course of supervision and inspection of the business activities, risk management, internal control and financial information of the Company. If any material issues or clues identified, the internal audit organization shall report immediately and directly to the audit committee.

**Article 172** When the audit committee communicates with external auditors such as accounting firms and national audit organizations, the internal audit organization shall actively cooperate and provide necessary support and collaboration.

**Article 173** The audit committee participates in the evaluation of the head of internal audit.

### **Section III Employment of Accounting Firms**

**Article 174** The Company employs an accounting firm that complies with the provisions of the Securities Law and the listing rules of the stock exchange of the place where the shares of the Company are listed to conduct audits of accounting statements, verification of net assets and other related consulting services for a period of one year, which may be renewed.

**Article 175** Employing and dismissing an accounting firm for the Company shall be approved by way of ordinary resolution of a general meeting. The Board shall not appoint an accounting firm before a general meeting is held.

**Article 176** The Company shall provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the hired accounting firm, and shall not refuse, conceal or make false reports.

**Article 177** The remuneration or method of determining the remuneration of an accounting firm shall be approved by way of ordinary resolution of a general meeting.

**Article 178** When the Company dismisses or does not renew the employment of an accounting firm, it shall give a 10-day prior notice to the accounting firm, and the accounting firm shall have the right to state its opinions at the general meeting where a voting process concerning the dismissal of such accounting firm is carried out.

Where an accounting firm tenders its resignation, it shall inform the general meeting of whether there is any irregularity in the Company.

## **CHAPTER X INFORMATION DISCLOSURE**

**Article 179** The Board of the Company shall establish and improve the information disclosure system of the Company by formulating the standards, methods and means of information disclosure in accordance with the law, the relevant regulations of the securities regulatory authorities where the shares of the Company are listed and the relevant provisions of the Articles of Association.

**Article 180** The Company shall follow the principles of truthfulness, accuracy, completeness and timeliness in disclosing information in a standardized manner.

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

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

**Article 181** Merger of the Company may take the form of merger by absorption or merger by new establishment.

A company absorbs other companies as an absorption merger, and the absorbed company is dissolved. The merger of two or more companies to create a new company is a new merger, and the merging parties are dissolved.

**Article 182** In the case of a merger, parties to the merger shall execute a merger agreement, and shall prepare the balance sheets and a schedule of assets. The Company shall notify its creditors within 10 days from the date of making the merger resolution, and make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days. Creditors may require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receiving the announcement or within 45 days from the date of announcement if they fail to receive it.

In the event of a merger of companies, the debts and liabilities of the merging parties shall be inherited by the surviving company or the new company established after the merger.

**Article 183** If the Company is to be divided, its property shall be divided accordingly.

For the division of the Company, a balance sheet and a list of assets shall be prepared. The Company shall notify its creditors within ten days from the date of making the resolution on division, and make an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 30 days.

**Article 184** Debts owed by the Company prior to the division shall be jointly and severally liable by the company after the division, except as otherwise stated in the written agreement entered into between creditors and the Company for debt settlement prior to the division.

**Article 185** The Company shall prepare a balance sheet and a property list for any reduction of registered capital.

The Company shall notify its creditors within 10 days from the date of adoption of a resolution to reduce its registered capital, and make an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 30 days. The creditors shall, within 30 days since the date of receiving a notice or within 45 days since the date of the first public announcement for those who have not received a notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

The Company shall reduce its registered capital by reducing the amount of capital contribution or shares according to the proportion of shares held by the shareholders, unless otherwise provided by laws or these Articles of Association.

**Article 186** Where the merger or division of the Company results in a change in its registered particulars, such change shall be registered with the company registrar according to law. Where the Company is dissolved, it shall cancel its registration according to law. Where a new company is established, its establishment shall be registered according to law.

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

## **Section II Dissolution and Liquidation**

**Article 187** The Company shall be dissolved for the following circumstances:

- (I) the term of operation set out in the Articles of Association expires or the occurrence of other causes of dissolution set out in the Articles of Association;
- (II) the general meeting resolves to dissolve the Company;
- (III) dissolution is required due to merger or division of the Company;
- (IV) the Company is revoked of business license, ordered to close or canceled according to law;
- (V) in the event of serious difficulties in the operation and management of the Company, and the continued existence of which will cause significant losses to the interests of shareholders and cannot be resolved through other means, shareholders who hold more than 10% of the voting rights of the Company may request the People's Court to dissolve the Company.

If any cause of dissolution stipulated in the preceding paragraph arises, the Company shall make an announcement on the reason for dissolution on the National Enterprise Credit Information Publicity System with ten days.

**Article 188** If the Company falls under the circumstances (I) and (II) of Article 187 of the Articles of Association and has not distributed its property to shareholders, it may continue to exist by amending the Articles of Association or by a resolution of the general meeting.

Any amendment to the Articles of Association or resolution of the general meeting made in accordance with the provisions of the preceding paragraph shall be approved by more than 2/3 of the voting rights held by the shareholders attending the general meeting.

**Article 189** If the Company is dissolved as a result of the provisions (I), (II), (IV) and (V) of Article 187 of the Articles of Association, it shall be liquidated. The Directors, as the obligor of the Company's liquidation, shall form a liquidation committee to carry out the liquidation within 15 days from the date when the cause of dissolution arises.

The liquidation committee shall comprise the Directors, unless otherwise provided for in the Articles of Association or the general meeting resolves to elect another person.

If the liquidation obligor fails to fulfill its liquidation obligations in time and causes losses to the Company or creditors, it shall be liable for compensation.

**Article 190** The liquidation committee shall exercise the following functions and powers during liquidation:

- (I) thoroughly examining the assets of the Company and preparing a balance sheet and a schedule of assets respectively;
- (II) notifying the creditors by a notice or public announcement;
- (III) handling the outstanding business of the Company in connection with liquidation;
- (IV) repaying all outstanding tax payment and the tax payment which arise in the course of the liquidation process;
- (V) clearing up claims and debts;
- (VI) distributing the remaining assets after full payment of the Company's debts; (VII) participating in civil litigation on behalf of the Company.

**Article 191** The liquidation committee shall notify the creditors within ten days from the date it is established, and publish relevant announcements in newspapers or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall, within 30 days since the date of receiving the notice, or creditors who do not receive the notice shall, within 45 days from the date of the announcement, report their creditors' rights to the liquidation committee.

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

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

**Article 192** After the liquidation committee has thoroughly examined the Company's assets and prepared a balance sheet and schedule of assets, it shall formulate a liquidation plan and submit such plan to the general meeting or the People's Court for confirmation.

The remaining property of the Company after paying the liquidation expenses, wages owed to employees of the Company, labor insurance fees and statutory compensation, outstanding taxes and debts of the Company shall be distributed in proportion to the number of shares held by shareholders.

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

**Article 193** If the liquidation committee, having thoroughly examined the Company's property and prepared a balance sheet and schedule of assets, discovers that the Company's property is insufficient to pay its debts in full, it shall immediately apply to the People's Court for bankruptcy and liquidation in accordance with the laws.

After the People's Court accepts the application of the Company for bankruptcy, the Company's liquidation committee shall refer the liquidation matters to the bankruptcy administrator appointed by the People's Court.

**Article 194** Following the completion of liquidation, the liquidation committee shall formulate a liquidation report, submit the same to the general meeting or the People's Court for confirmation, submit to the company registration authority for cancellation of the Company's registration, and announce the Company's termination.

**Article 195** Members of the liquidation committee shall be obliged to perform their liquidation obligations with loyalty and diligence.

Members of the liquidation committee who are negligent in performing their liquidation obligations and cause losses to the Company shall be liable for compensation; or who cause losses to the Company or creditors due to intentional or gross negligence shall be liable for compensation.

**Article 196** If the Company is declared bankrupt according to law, the bankruptcy liquidation shall be implemented in accordance with the laws on enterprise bankruptcy.

## **CHAPTER XII AMENDMENT TO THE ARTICLES OF ASSOCIATION**

**Article 197** The Company will amend the Articles of Association under any of the following circumstances:

- (I) after the PRC Company Law or relevant laws and administrative regulations are amended, the provisions of the Articles of Association are in conflict with the provisions of the amended ones;

(II) there has been a change to the Company, resulting in inconsistency with the contents in the Articles of Association;

(III) the general meeting decides to amend the Articles of Association.

**Article 198** Except as otherwise provided in the Articles of Association, the following procedures shall be followed to amend the Articles of Association:

(I) the Board shall adopt a resolution in accordance with the Articles of Association to prepare a proposal to amend the Articles of Association or a proposal by the shareholders to amend the Articles of Association;

(II) notify the shareholders of the amendment proposal and call a general meeting to vote on it;

(III) the amendments submitted to the general meeting for voting shall be adopted by special resolution.

The Board shall amend the Articles of Association in accordance with the resolutions of the general meeting and the approval opinions of relevant competent authorities.

**Article 199** If the amendments to the Articles of Association resolved by the general meeting shall be subject to the approval of the competent authorities, they shall be submitted to the competent authorities for approval. Where the Company's registered items are involved, change registration shall be made according to law.

**Article 200** If the amendments to the Articles of Association are information required to be disclosed by laws and regulations, they shall be announced in accordance with the regulations.

### **CHAPTER XIII NOTICE AND ANNOUNCEMENT**

**Article 201** Notices from the Company (as used in this section, "notices" include corporate communications and other written materials) are given in the following forms:

(I) by personal delivery;

(II) by post;

(III) by email, fax or information carrier;

(IV) by publishing them on the website of the Company and the website designated by Hong Kong Stock Exchange in accordance with the laws, administrative regulations and the listing rules of the stock exchange where the Company's shares are listed;

(V) by announcement;

(VI) by other means acceptable to the securities regulatory authorities of the place where the Company's shares are listed or stipulated in the Articles of Association.

Unless otherwise specified in the Articles of Association, if the Company's notice to the shareholders of overseas listed foreign shares is delivered by means of public announcement, it shall, in accordance with the requirements of the local listing rules, submit an electronic ready-to-publish version of the notice to Hong Kong Stock Exchange on the same day for publication on the website of Hong Kong Stock Exchange through the Electronic Publishing System of Hong Kong Stock Exchange. The announcement shall also be published on the website of the Company.

Shareholders of overseas listed foreign shares of the Company may choose in writing to receive the corporate newsletters that the Company is required to send to shareholders by electronic means or by mail, and may choose to receive only the Chinese version or the English version or both. They may also give the Company a written notice within a reasonable time in advance to modify the way and language version of the information they receive according to appropriate procedures.

**Article 202** If the notice of the Company is delivered by hand, the addressee shall sign (or stamp) on the receipt of service, and the date of signature of the addressee shall be the date of service;

If a notice of the Company is sent by mail, the date of service shall be the fifth business day after the date of delivery to the post office.

If the notice of the Company is delivered by fax, the date of service shall be the second business day after the fax is sent, and the date of fax delivery shall be the date shown on the fax report form.

If the notice of the Company is sent by email or website publication, the date of service shall be the sending date.

Where a notice of the Company is sent by way of announcement, the date of publication of the first announcement shall be the date of service, provided that the relevant announcement shall be published in the newspapers and periodicals meeting the relevant provisions or sent in the manner prescribed in Article 201 of the Articles of Association.

**Article 203** The meeting and the resolution of the meeting shall not be null and void if notice of the meeting fails to be delivered to or received by any person entitled to the notice due to accidental omission.

**Article 204** Where the listing rules of the stock exchange where the Company is listed require the Company to send, mail, distribute, issue, publish or otherwise provide the relevant documents of the Company in English and Chinese, if the Company has made appropriate arrangements to determine whether its shareholders wish to receive only the English version or the Chinese version and, to the extent permitted by and in accordance with applicable laws and regulations, the Company may send only the English version or only the Chinese version to the relevant shareholder (at the shareholder's stated wish).

## CHAPTER XIV SUPPLEMENTARY PROVISIONS

### Article 205 Definitions

- (I) the term “controlling shareholder” shall cover a person who meets any of the following conditions:
1. When acting alone or in concert with others, he/she may elect more than half of the Directors;
  2. When acting alone or in concert with others, he/she may exercise more than 30% (including 30%) of the voting rights of the Company or may control more than 30% (including 30%) of the voting rights of the Company;
  3. When acting alone or in concert with others, he/she holds more than 30% (including 30%) of the shares issued by the Company;
  4. When acting alone or in concert with others, he/she can otherwise effectively control the Company.
- (II) the term “actual controller” means a person who, although not a shareholder of the Company, is able, through investment relationships, agreements or other arrangements, to actually control the conduct of the Company.
- (III) the term “connected relationship” refers to the relationship between the controlling shareholders, actual controllers, Directors and senior management of the Company and the enterprise directly or indirectly controlled by the Company, and other relationships that may lead to the transfer of interests of the Company, provided that the state controlled enterprises are not connected simply because they are controlled by the state.
- (IV) the meaning of “accounting firm” in this Articles of Association is the same as that of “auditor” in the Listing Rules of Hong Kong Stock Exchange.

**Article 206** The Board may develop the Articles in accordance with the provisions of the Articles of Association. The Articles shall not contradict the provisions of the Articles of Association.

**Article 207** The Articles of Association are prepared in Chinese. In case of any discrepancies between any other languages or different versions of the Articles of Association and the Articles of Association, the Chinese version of the Articles of Association after the latest approval of registration with the market supervision administration shall prevail. In case of any discrepancies between the versions in other languages and the Chinese version, the Chinese version shall prevail.

**Article 208** Terms of “not less than”, “within” used in these Articles of Association shall include the number itself; while “over”, “below” and “more than” shall exclude the number itself.

**Article 209** The Board of Directors of the Company shall be responsible for the interpretation of the Articles of Association, and any matters not covered by the Articles of Association shall be submitted by the Board of Directors to the general meeting for consideration and approval.

**Article 210** The Articles of Association shall be effective and enforceable after they have been considered and approved by the general meeting of the Company.

(No text below)