

中國冶金科工股份有限公司

Metallurgical Corporation of China Ltd.*

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

(Stock Code: 1618)

Articles of Association

(Amended in June 2025)

** For identification purposes only*

Articles of Association

of

Metallurgical Corporation of China, Ltd.*

Chapter 1 General Provisions

Article 1 In a bid to safeguard the legitimate rights and interests of Metallurgical Corporation of China Ltd. (the “Company”), its Shareholders, employees and creditors, and to regulate the organization and activities of the Company, the Company formulated the Articles of Association in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guidelines on Articles of Association of Listed Companies, the Constitution of the Communist Party of China and other relevant regulations.

Article 2 The Company is a joint stock limited company incorporated pursuant to the Company Law, Securities Law, and other relevant laws and regulations in the PRC.

The Company was established by way of promotion with the approval of the State-owned Assets Supervision and Administration Commission of the State Council. The Company was registered with the State Administration for Industry and Commerce of the People’s Republic of China and was granted the corporate legal person’s business license on 1 December 2008. The unified social credit code of the Company is: 91110000710935716X.

The promoters of the Company include China Metallurgical Group Corporation and Baosteel Group Corporation.

Article 3 The registered Company name (in Chinese): 中國冶金科工股份有限公司

The English Company name: Metallurgical Corporation of China, Ltd.

Article 4 Company Address: MCC Tower, No. 28, Shuguang Xili, Chaoyang District, Beijing

Postal code: 100028

Telephone number: 010-59869999

Fax number: 010-59869988

Article 5 The Director or president who represents the Company in the execution of corporate affairs shall be the legal representative of the Company, and the specific person shall be determined by the election of a majority of the Board of Directors of the Company. The resignation of the Director or president who serves as the legal representative shall be deemed to be the resignation of the legal

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

The legal consequences of civil activities performed by a legal representative in the name of the Company shall be borne by the Company. Any restrictions on the authority of the legal representative set forth in the Articles of Association of the Company or by the Shareholders' Meeting shall not be asserted against a bona fide third party. Where the legal representative causes damage to any other person in the performance of his/her duties, the Company shall assume civil liability for such damage. The Company may, after assuming such civil liability, claim reimbursement from the legal representative at fault in accordance with the laws or the Articles of Association.

Article 6 Shareholders' liabilities of the Company are limited to the Shares subscribed by them, and the Company is liable for its debts to the extent of its entire assets.

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

Article 8 From the date when the Articles of Association took effect, it shall become a legally binding instrument applicable to the organization and activities of the Company, the relationship between the Company and its Shareholders and that between the Shareholders, and will have a binding legal effect on the Company and its Shareholders, Directors and senior management managers. All the aforementioned persons shall be entitled to, pursuant to the Articles of Association, put forward claims concerning the affairs of the Company and shall undertake obligations accordingly.

Subject to the requirement of the Articles of Association, Shareholders may, in accordance with the Articles of Association, bring litigation against each other. The Shareholders may bring litigations against the Directors and senior management members of the Company. The Shareholders may bring litigation against the Company. The Company may bring litigation against Shareholders, Directors and senior management members.

The litigations referred to in the preceding paragraph include court proceedings and arbitration proceedings.

Article 9 The Company may invest in other enterprises. Where the law provides that the Company shall not become a financier assuming joint liability for debts of the enterprise so invested, such provisions shall prevail.

Chapter 2 Business Objectives and Scope

Article 10 The business objectives of the Company are: to implement national industry policies in compliance with laws and regulations at home and abroad, to strive for returns to Shareholders in

compliance with regulatory requirements; to ensure asset preservation and appreciation and step up standard on asset operation, to achieve synergy between economic and social efficiencies; and to operate under law to the satisfaction of the customers and to gain confidence of the Shareholders by virtue of integrity.

Article 11 The business scope of the Company shall be as approved by the company registration authorities.

The business scope of the Company includes: domestic and international engineering consulting, surveying, design, general contracting; engineering technical consulting services; leasing of engineering equipment; technical development, technical services, technical exchange and transfer of technology of new materials, new processes and new products related to engineering and construction; development, production and sales of equipment required by the metallurgical industry; planning, survey, design, supervision, service and relevant researches with respect to construction and electromechanical equipment installation works; investment, processing and utilization, and marketing of metallic mineral products; real estate development and operation; bidding agent; import & export business; sales of electromechanical products, cars, building materials, instruments and apparatuses, hardware and electric materials.

The Company may set up subsidiaries, branches, representative offices and other institutions to meet the needs of its business development.

The Company, according to market orientation and business needs and its own capacity, may adjust its business scope to orient itself to the market trends upon the approval of competent authority and consent of the company registration authority, and establish branches and representative offices in Mainland China, Hong Kong, Macau, Taiwan and foreign countries.

Subject to PRC laws and administrative regulations, the Company shall be entitled to raise capital through, including but not limited to, seeking loans, issuing corporate stocks or bonds, mortgaging or pledging the ownership or use right of all or part of the assets of the Company or other rights and interests as permitted by PRC laws and administrative regulations; and providing guarantees for the debts of a third party in line with relevant laws, regulations and the Articles of Association.

Chapter 3 Shares, Registered Capital and Transfer of Shares

Article 12 The Company's stock takes the form of Shares.

The Shares with par value issued by the Company are denominated in Renminbi, with a par value of Renminbi 1 yuan each.

The Renminbi referred to in the preceding paragraph is the legal currency of the People's Republic of China.

Article 13 The Company's Shares shall be issued in an open, fair and just manner. Shares of the same

class shall carry with the same rights.

For the same class of Shares issued in the same tranche, each Share shall be issued at the same price and subject to the same conditions. The subscriber shall pay the same price to subscribe for the same Shares.

Article 14 Where the Company issues Shares to domestic investors and foreign investors, it shall perform the procedures of registering or filing with the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) in accordance with the laws.

The term “foreign investors” under the preceding paragraph refers to those investors from foreign countries and from the region of Hong Kong, Macau and Taiwan, who subscribe for Shares issued by the Company. The term “domestic investors” under the preceding paragraph refers to the Shareholders within the territory of the People’s Republic of China, excluding the aforesaid regions, who subscribe for Shares issued by the Company.

Article 15 The Shares issued by the Company to the domestic investors and subscribed in RMB shall be called domestic Shares. The domestic Shares listed at a domestic stock exchange shall be called A Shares. The Shares issued by the Company to overseas investors and subscribed in foreign currencies or RMB are called foreign Shares. The foreign Shares listed at an overseas stock exchange shall be called overseas listed foreign Shares.

The foreign Shares of the Company listed in Hong Kong shall be called H Shares, that is, Shares which have been admitted for listing on The Stock Exchange of Hong Kong Limited (referred to as the “Hong Kong Stock Exchange”), and the par value of which is denominated in RMB and are subscribed and traded in Hong Kong dollars.

Article 16 As approved by the approving department authorized by the State Council, the Company is allowed to offer a total of 13 billion ordinary Shares. At the time of incorporation, the Company issued 13 billion ordinary Shares to the promoter, among which China Metallurgical

Group Corporation had subscribed for and holds 12.87 billion Shares via currency, equity interest, physical assets and other non-monetary assets, representing 99% of the total ordinary Shares issued by the Company; whereas Baosteel Group Corporation had subscribed for and holds 130 million Shares with currency, representing 1% of the total ordinary Shares issued by the Company.

Article 17 Upon establishment of the Company, and as approved by the Reply on Approving the Initial Public Offering of Metallurgical Corporation of China Ltd. (CSRC License [2009] No. 863) issued by the China Securities Regulatory Commission (the “CSRC”) on 28 August 2009, the Company initially issued 3,500 million RMB ordinary Shares to the public and such Shares were listed on the Shanghai Stock Exchange on 21 September 2009.

After completion of the issuance of the above RMB ordinary Shares, the registered capital of the Company was RMB16,500 million, and the Share capital structure of the Company was as follows:

China Metallurgical Group Corporation held 12,523.5 million Shares, representing 75.90% of the Share capital; Baosteel Group Corporation held 126.5 million Shares, representing 0.77% of the Share capital; the public in the PRC held 3,500 million Shares, representing 21.21% of the Share capital; and the National Council for Social Security Fund held 350 million Shares, representing 2.12% of the Share capital.

With the approval of the CSRC, the Company issued 2,871 million overseas listed foreign Shares (H Shares) after completion of the issuance of the above RMB ordinary Shares, which were listed on the Hong Kong Stock Exchange on 24 September 2009.

With the approval of the CSRC (CSRC License [2016] No. 1794), the Company issued 1,613,619,170 A Shares through a non-public issuance. Upon completion of the issuance, the Share capital structure of the Company is as follows: the total number of Shares is 20,723,619,170 Shares, including 17,852,619,170 RMB ordinary Shares, and 2,871,000,000 overseas listed foreign Shares (H Shares).

The registered capital of the Company is RMB20,723,619,170, and the paid-up capital is RMB20,723,619,170. The total number of Shares of the Company is 20,723,619,170.

Article 18 The domestic Shares issued by the Company shall be kept under custody of the China Securities Depository and Clearing Corporation Limited. The H Shares of the Company shall primarily be placed in the custody of the Central Depository under the Hong Kong Securities Clearing Company Nominees Limited, or alternatively be held by Shareholders in their own names as well.

Article 19 The Shares of the Company shall be transferred according to the law without any right of lien, unless otherwise stipulated by the law and regulations.

Article 20 The Company shall not accept any Shares of the Company as the subject of pledges.

Article 21 Shares issued prior to the public offering of Shares by the Company shall not be transferred within one year from the date the Shares of the Company were listed and traded at the stock exchanges.

The Directors and senior management members of the Company shall report to the Company their shareholdings in the Company and any changes thereof, and shall not transfer more than 25% of the total number of Shares of the same kind held by them in each year of their respective term of office specified at the time of taking office. The Company Shares held by them shall not be transferred within one year from the date the Shares of the Company being listed and traded on the stock exchanges. The aforesaid person(s) shall not assign the Shares of the Company held by them within six months after their term of office expires. Where the aforementioned restrictions on transfer involve H Shares, approval by Hong Kong Stock Exchange is required.

Article 22 If the Directors and senior management members of the Company as well as the Shareholders holding more than 5% of the Company Shares sell the Company Shares they hold or other equity

securities within six months after purchase or buy Company Shares within six months after the sale, the gains generated from such trade shall be disgorged and paid to the Company. The Board of Directors of the Company shall forfeit such gains from the abovementioned parties. Where the aforementioned restrictions on transfer involve H Shares, approval by Hong Kong Stock Exchange is required. Nevertheless, except that a securities company holds more than 5% of the Company Shares by buying the remaining Shares pursuant to an underwriting arrangement and other circumstances prescribed by the CSRC.

The Shares or other equity securities held by the Directors, senior management and individual Shareholders referred to in the preceding provisions include the Shares or other equity securities held by their spouses, parents, children and accounts of other people.

Should the Board of Directors of the Company does not observe the provisions set forth in the first paragraph, the Shareholders shall be entitled to require the Board to effect the same within 30 days. If the Board of Directors of the Company fails to do so within the aforesaid time limit, the Shareholders may directly initiate court proceedings in their own name for the interests of the Company.

Should the Board of Directors of the Company fail to execute the provisions under the first paragraph of this article, the responsible Director(s) held accountable shall assume joint and several liabilities under the law.

Chapter 4 Change in Capital and Repurchase of Shares

Article 23 Pursuant to laws and regulations and upon approval at the Shareholders' Meeting, the Company may, based on its operation and business requirements, approve a capital increase in line with the provisions of the Articles of Association.

The Company may increase capital in the following ways:

- (1) offering Shares to unspecified targets;
- (2) offering Shares to specific targets;
- (3) bonus issue of Shares to existing Shareholders;
- (4) convert surplus reserve into capital;
- (5) other ways as permitted by the laws and regulations and relevant regulatory authorities.

Article 24 The increase in the capital of the Company by way of issuing new Shares shall be implemented pursuant to the provisions of the Articles of Association and in accordance with relevant laws and regulations of the PRC.

Article 25 The Company may reduce its registered capital. The Company may decrease its capital in line with the Company Law, other relevant regulations and the procedures stipulated by the Articles

of Association.

Article 26 The Company shall not repurchase its Shares, except in the following circumstances:

- (1) to reduce the registered capital of the Company;
- (2) to amalgamate with other companies which own Shares in the Company;
- (3) to use Shares in the employee stock ownership plan or as equity incentive;
- (4) to acquire Shares held by Shareholders (upon their request) who vote against any resolution proposed at any Shareholders' Meeting on the merger or division of the Company;
- (5) to use Shares to satisfy the conversion of corporate bonds convertible into Shares issued by the Company;
- (6) to safeguard corporate value and Shareholders' equity as the Company deems necessary.

Article 27 The Company may repurchase its Shares through public and centralized trading or other methods as permitted by laws and regulations and the CSRC.

Where the Company repurchases its own Shares in the circumstances set out in clauses (3), (5) and (6) of the first paragraph of Article 30 of the Articles of Association, such repurchase shall be conducted through public and centralized trading method.

Article 28 Where the Company repurchases its Shares in the circumstances set out in clauses (1) and (2) of the first paragraph of Article 26 of the Articles of Association, it shall be subject to approval at the Shareholders' Meeting.

Where the Company repurchases its Shares in the circumstances set out in clauses (3), (5) and (6) of the first paragraph of Article 26 of the Articles of Association, it may be resolved by more than two-thirds of the Directors present at a meeting of the Board of Directors in accordance with the provisions of the Articles of Association or the authorization of the Shareholders' Meeting.

In the event that the Company has repurchased its Shares in accordance with the first paragraph of Article 26, such Shares shall be cancelled within 10 days in the circumstance set out in clause (1), or shall be transferred or cancelled within 6 months in the circumstances set out in clauses (2) and (4); the aggregate number of Shares held by the Company shall not exceed 10% of the total issued Shares of the Company, and shall be transferred or cancelled within 3 years in the circumstances set out in clauses (3), (5) and (6).

Where the relevant laws and regulations and the securities regulators and the stock exchanges of the

places where the Shares of the Company are listed provide otherwise in relation to the aforementioned Share repurchase and cancellation, such provisions shall prevail.

Article 29 The Company or its subsidiaries (including the affiliates of the Company) shall not provide financial assistance in the form of gifts, advances, guarantees or loans for the acquisition of the Company's or its parent company's Shares by another person, unless the Company implements an employee stock ownership plan. In the interests of the Company, upon approval at the Shareholders' Meeting, or the approval of the Board of Directors in accordance with the Articles of Association or the authorisation of the Shareholders' Meeting, the Company may provide financial assistance for the acquisition of Shares of the Company or its parent company by another person, provided that the cumulative total amount of the financial assistance shall not exceed 10% of the total amount of the issued share capital. Resolutions made by the Board of Directors shall be approved by more than two-thirds of all the Directors.

Chapter 5 Share Certificates and Register of Shareholders

Article 30 The Shares of the Company shall be in registered form.

The share certificate of the Company shall indicate any other items required by the stock exchanges where the Company Shares are listed, in addition to those specified under the Company Law.

Overseas listed foreign Shares issued by the Company may, according to the laws of the place where the Shares of Company are listed and the practices of securities registration and custody, take the form of overseas stock depository receipt or other derivative forms of Shares.

Article 31 The Company shall keep a register of shareholders according to the certificates issued by the securities registration and settlement authority. The register of shareholders shall be sufficient evidence of shareholdings in the Company, unless there is evidence to the contrary. The Company shall keep the full copies of the register of Shareholders and the minutes of the Shareholders' Meetings at the address of the Company in Hong Kong for view by the Shareholders for free in accordance with the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), except that the Company may suspend registration of Shareholders on terms equivalent to those under the Hong Kong Companies Ordinance (Chapter 632 of the Laws of Hong Kong).

Article 32 Any Shareholder of foreign Shares may use the transfer document in the common written format in the listing region of the foreign Shares or other formats acceptable to the Board of Directors to transfer all or part of the Shares held in the Company. The H Shares may be transferred by using the standard transfer form specified by the Hong Kong Stock Exchange. The transfer document may be manually signed only, or manually signed or signed in printing if the transferor or transferee is a recognized clearing institution defined under the Hong Kong Securities and Futures

Ordinance (hereafter referred to as “recognized clearing institution”) or its agent.

Article 33 In the event the Company convenes the Shareholders’ Meeting, distributes the dividend, undergoes liquidation or has other tasks involving the identification of Shareholders, the convener of the Board of Directors or the Shareholders’ Meeting shall fix the date as a record date for determining the shareholdings. The Shareholders of the Company shall be those Shareholders registered on the register after close of market on the record date.

Chapter 6 Rights and Obligations of Shareholders

Article 34 Shareholders of the Company shall be the persons who hold the Shares of the Company in accordance with the laws and have their names registered in the register of Shareholders.

Shareholders shall enjoy the rights and undertake the obligations according to the class of Shares they hold. Shareholders holding the same class of Shares enjoy the same rights and undertake the same obligations.

If the Company establishes a class of Shares such as preferred Shares, changes in the rights attached to such class of Shares shall be approved by the Shareholders holding Shares of such class with the relevant rights attached by a vote of at least two-thirds of the votes of the Shareholders present at the Shareholders’ Meeting of a particular class of Shares and having the right to vote on amendments to the rights of such class of Shares.

Various categories of Shareholders of the Company shall have equal rights to the dividends and other forms of interest distribution.

If two or more persons are registered as the joint Shareholder of any Shares, they shall be considered as the joint Shareholder of Relevant Shares and shall be subject to the following restrictions:

(1) The Company does not have to register more than four persons as the joint Shareholder of any Shares;

(2) All the joint Shareholders of any Shares shall bear the joint liability to pay all the amounts payable for the Relevant Shares.

In the case of joint Shareholders:

(1) If one of the joint Shareholders dies, only the persons still living among the joint Shareholders shall be deemed by the Company as owners of the Relevant Shares. Nevertheless, the Board of Directors shall, for the purpose of revising the register of Shareholders, have the right to require the persons still living among the joint Shareholders to submit such death certificate as may be considered appropriate by the Company.

(2) As to the joint Shareholders of any Share, only the foremost Shareholder on the register

of Shareholders shall have the right to take possession of the Relevant Share certificates, receive notices from the Company, attend the Shareholders' Meeting or exercise the voting rights of the Relevant Shares, while any notice furnished to the aforesaid person shall be considered as delivered to all the joint Shareholders of the Relevant Share.

If any one of the joint Shareholders sends to the Company a receipt of any dividend, bonus or capital returns paid to such joint Shareholders, such receipt shall be deemed to be the valid receipt sent by such joint Shareholders to the Company.

Article 35 A holder of ordinary Shares of the Company shall enjoy the following rights:

(I) to receive dividends and other forms of interest distribution according to the Shares they hold;

(II) to request hold, convene, to preside over, to participate in, or to assign a Shareholder agent to participate in, the Shareholders' Meeting according to the law, and exercise the corresponding voting right (unless individual Shareholders are required to waive their voting rights in respect of individual matters in accordance with the relevant requirements of the place where the Company's securities are listed);

(III) to supervise and manage the business activities of the Company, put forward suggestions or raise inquiries;

(IV) to transfer, present or pledge the Shares they hold according to the laws, regulations and these Articles of Association;

(V) to inspect and copy the Articles of Association, register of Shareholders, minutes of the Shareholders' Meeting, resolutions of meetings of the Board of Directors, financial accounting reports, and Shareholders in compliance with the regulations may inspect the accounting books and documents of the Company;

(VI) to participate in the distribution of the residual properties of the Company in proportion to the number of Shares they hold in the event of the termination or liquidation of the Company;

(VII) to require the Company to acquire the Shares they hold if they disagree with the merger and separation resolution made by the Shareholders' Meeting;

(VIII) other rights granted by the laws, regulations and these Articles of Association.

The Company shall not exercise the right to freeze or otherwise prejudice any right attached to any Shares directly or indirectly held by any person on the ground that the said person has not disclosed his/her interest to the Company.

Article 36 Shareholders requesting to inspect or copy relevant corporate materials shall comply with

the provisions of the Company Law, the Securities Law and other laws and administrative regulations.

Article 37 If the contents of the resolution made by the Shareholders' Meeting or the Board of Directors of the Company violate any laws or regulations, the Shareholders shall be entitled to request the court to invalidate the said resolution.

If the convening procedure and voting method of the Shareholders' Meeting and Board meeting violate the laws, regulations or these Articles of Association, or the contents of the resolution go against these Articles of Association, the Shareholders shall have the right to request the People's Court to cancel the said procedure, method or resolution within sixty (60) days after adoption of the resolution. However, except where the procedures for convening a Shareholders' Meeting and Board meeting or the manner of voting thereat are only slightly defective and have no material effect on the resolution.

Where the Board of Directors, Shareholders and other relevant parties dispute the validity of a resolution of the Shareholders' Meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a revocation of the resolution or other judgement or ruling, the relevant parties shall implement the resolution of the Shareholders' Meeting. The Company, the Directors and senior management members shall effectively perform their duties to ensure the normal operation of the Company.

If the People's Court makes a judgement or ruling on the relevant matters, the Company shall perform its information disclosure obligations in accordance with the laws and administrative regulations, the provisions of the CSRC and the stock exchange, fully explain the impact, and actively cooperate with the implementation of the judgement or ruling after it has come into effect. Where correction of prior period matters is involved, it will be dealt with in a timely manner and fulfil the corresponding information disclosure obligations.

Article 38 Resolutions of a Shareholders' Meeting or a Board meeting of the Company shall be invalid in any of the following circumstances:

(I) the resolution was not made by a Shareholders' Meeting or a Board meeting;

(II) the resolution was not voted on at a Shareholders' Meeting or a Board meeting;

(III) the number of attendees of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association;

(IV) the number of attendees voting in favor of the resolution or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association.

Article 39 If any Director or senior management member other than a member of the Audit Committee violates the laws, regulations and these Articles of Association in fulfilling his/her duties and incurs losses to the Company, the Shareholders severally or jointly holding 1% or more Shares of the Company for more than 180 days continuously shall have the right to request in writing to the Audit Committee to lodge a legal action in the People's Court; if the member of the Audit Committee violates the laws, regulations and these Articles of Association in fulfilling its duties and incurs losses to the Company, the aforesaid Shareholders shall have the right to request in writing to the Board of Directors to lodge a legal action in the People's Court.

If the Audit Committee or the Board of Directors refuses to lodge legal action after receipt of the said written request from the Shareholder, or if they fail to take any legal action within 30 days after receipt of the request, or if the circumstances are urgent or if any delay of legal proceedings may cause irrecoverable damage to the interests of the Company, the Shareholder specified under the preceding paragraph shall, in the interest of the Company, have the right to lodge a legal action in the People's Court under his/her own name.

If the legitimate rights and interests of the Company are endangered, incurring losses for the Company, the Shareholder specified under the first paragraph of this Article may institute a legal action in court according to the provisions under the preceding two paragraphs.

If any director, supervisor or senior management member of a wholly-owned subsidiary of the Company violates the laws, administrative regulations or the provisions of these Articles of Association in fulfilling his/her duties and incurs losses to the Company, or if others infringe upon the lawful rights and interests of a wholly-owned subsidiary of the Company and cause losses to the Company, the shareholders severally or jointly holding 1% or more Shares of the Company for more than 180 consecutive days, may, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, request in writing to the Audit Committee and board of directors of a wholly-owned subsidiary to lodge a legal action in the People's Court or lodge a legal action in the People's Court under his/her own name. If a wholly-owned subsidiary of the Company does not have a Board of Supervisors and any supervisors but an Audit Committee, the provisions of paragraphs 1 and 2 of this Article shall apply.

Article 40 If any Director or senior management member violates the laws, regulations or these Articles of Association, thereby causing any loss to the Shareholders, the Shareholders may initiate legal action in the People's Court.

Article 41 A holder of ordinary Shares of the Company shall perform the following obligations:

- (1) to comply with the laws, regulations and these Articles of Association;
- (2) to pay the capital contribution according to the number of Shares subscribed and the

prescribed subscription method;

(3) shall not withdraw the share capital, unless otherwise specified by the laws and regulations;

(4) shall not abuse the Shareholder's right to prejudice the interest of the Company or other Shareholders, or abuse the independent legal person status of the Company and the Shareholder's limited liability to impair the interests of the creditors of the Company; Should the Shareholders of the Company abuse the independent legal person status and Shareholder's limited liability to avoid debts and seriously harm the interest of the creditors of the Company, the Shareholder shall be held liable for the debts of the Company.

(5) other obligations imposed by the laws, regulations and these Articles of Association.

Article 42 Should the Shareholders of the Company abuse the independent legal person status and Shareholder's limited liability to avoid debts and seriously harm the interest of the creditors of the Company, the Shareholder shall be held liable for the debts of the Company.

Article 43 The controlling Shareholders or actual controllers of the Company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, and the provisions of the CSRC and the stock exchange, and safeguard the interests of the listed company. The controlling Shareholders and actual controllers of the Company shall comply with the following:

(1) to exercise Shareholders' rights in accordance with the law, and not to abuse the right of control or take advantage of their connected relationships to prejudice the legitimate interests of the Company or other Shareholders;

(2) to strictly honour the public statements and various undertakings made and shall not change or waive them without authorisation;

(3) to fulfil the information disclosure obligations in strict accordance with the relevant regulations, to actively and proactively cooperate with the Company in the information disclosure, and to inform the Company in a timely manner of material events that have occurred or are intended to occur;

(4) not to occupy the Company's funds in any way;

(5) not to force, instruct or require the Company and relevant personnel to provide guarantees in violation of laws and regulations;

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

(7) not to prejudice the legitimate rights and interests of the Company and other Shareholders through unfair connected transactions, profit distribution, asset restructuring, external investment and any other means;

(8) to ensure the integrity of the Company's assets, staff independence, financial independence, reorganizational independence and business independence, and not to affect the independence of the

Company in any way;

(9) other provisions of laws, administrative regulations, the requirements of the CSRC, the rules of the stock exchange and these Articles of Association.

Article 44 Where a controlling Shareholder or an actual controller of the Company does not act as a Director of the Company but actually executes the affairs of the Company, the provisions of these Articles of Association regarding the obligations of loyalty and diligence of Directors shall apply.

Where a controlling shareholder or an actual controller of the Company instructs a Director or a senior management member to engage in an act that is detrimental to the interests of the Company or the Shareholders, the controlling shareholder or the actual controller of the Company shall be jointly and severally liable with the Director or the senior management member.

Article 45 Where a controlling shareholder or an actual controller pledges the Shares of the Company held by him/her or at his/ her actual disposal, he/she shall maintain the control of the Company and the stability of its production and operation.

Article 46 A controlling shareholder or an actual controller who transfers the Shares of the Company held by him/her shall comply with the restrictive provisions of laws, administrative regulations, regulations of the CSRC and the stock exchange in relation to the transfer of Shares and his/her undertakings in relation to the restriction on the transfer of Shares.

Chapter 7 Shareholders' Meeting

Section 1 General Provisions of Shareholders' Meeting

Article 47 The Shareholders' Meeting shall be composed of all Shareholders. The Shareholders' Meeting shall be an empowered authority of the Company, exercising its duties according to the laws.

(1) to elect and replace the Directors who are not employee representatives, and decide on the remunerations of relevant Directors;

(2) to examine and approve the report of the Board of Directors;

(3) to examine and approve the profit distribution plan and the loss recovery plan;

(4) to make resolutions on the changes in the registered capital of the Company;

(5) to make resolutions on the Company's plan to issue and list corporate bonds and other securities;

(6) to make resolutions on the merger, spin-off, separation, dissolution, liquidation or changes in the organizational structure of the Company;

(7) to amend these Articles of Association;

(8) to make resolutions on the appointment or dismissal of accounting firms that undertakes the

Company's auditing business by the Company;

- (9) to examine and approve the guarantee issues specified under Article 48;
- (10) to examine and approve within a year the Company's purchase or sale of material assets exceeding 30% of the audited total assets of the Company in the most recent period within a year;
- (11) to examine and approve changes in use of proceeds;
- (12) to examine and approve the share incentive plan and employee stock ownership plan;
- (13) to examine matters relating to connected transactions, financial assistance and external donations which require approval by the Shareholders' Meeting;
- (14) to examine and approve other issues that shall be resolved by the Shareholders' Meeting in line with the laws, administrative regulations, department rules, listing rules of the region where the Company Shares are listed or these Articles of Association.

The Shareholders' Meeting may delegate the Board of Directors to resolve on the issuance of corporate bonds.

Shares and corporate bonds convertible into shares of the Company may be issued by a resolution of the Shareholders' Meeting or by a resolution of the Board of Directors as authorized by the Articles of Association or the Shareholders' Meeting, the specific implementation of which shall comply with the laws, administrative regulations, the requirements of the CSRC and the rules of the stock exchanges.

Unless otherwise provided by laws, administrative regulations, the requirements of the CSRC and the rules of the stock exchanges, the aforesaid functions and powers of the Shareholders' Meeting shall not be exercised by the Board of Directors or other institutions and individuals by means of authorization.

Article 48 The following guarantees of the Company shall be reviewed and approved at the Shareholders' Meeting:

- (1) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;
- (2) any guarantee provided by the Company after the total external guarantee exceeds 30% of the latest audited total assets value;
- (3) any external guarantee provided by the Company within one year exceeds 30% of the Company's latest audited total assets;
- (4) any guarantee provided to any guaranteed party with a debt-to-asset ratio of more than 70%;

- (5) single guarantee exceeding 10% of the latest audited net assets;
- (6) guarantee provided for Shareholders, actual controllers as well as the related parties of the same;
- (7) guarantee amount for 12 consecutive months accounting for more than 50% of the latest audited total assets of the Company and exceeding RMB50 million;
- (8) other guarantees specified by the stock exchanges where the Company Shares are listed and these Articles of Association.

The “external guarantee” mentioned in these Articles of Association refers to the guarantee provided by the Company for other parties, including the guarantee provided by the Company to its controlling subsidiaries. The “total amount of the external guarantees provided by the Company and its controlling subsidiaries” refers to the sum of the total amount of the external guarantees provided by the Company (including the guarantees provided to its controlling subsidiaries) and the total amount of the external guarantees provided by its controlling subsidiaries.

The Company shall be entitled to hold the relevant persons accountable for any losses to the Company in the event of violation of requirements as to approval authority and procedure of providing external guarantees.

Article 49 Save where the Company is in a crisis or other special circumstances, without approval of a special resolution of Shareholders’ Meeting, the Company shall not enter into contract with any person other than a Director, Supervisor or other senior management members of the Company whereby such person undertakes the management and administration of the whole or any substantial part of the business of the Company.

Article 50 Shareholders’ Meetings shall be classified as Annual Shareholders’ Meetings and Extraordinary Shareholders’ Meetings. Annual Shareholders’ Meetings shall be convened once a fiscal year within 6 months of the end of the previous fiscal year.

Article 51 The Company shall hold an Extraordinary Shareholders’ Meeting within 2 months after the date on which any of the following events occurs:

- (1) the number of Directors is less than the number specified by the Company Law (i.e. 3 Directors) or two-thirds of the number required by these Articles of Association (i.e. 6 Directors);
- (2) the uncovered loss of the Company reaches one-third of the paid-in Share capital;
- (3) the Shareholders holding more than 10% of the Company Shares either independently or collectively request for a meeting in writing;
- (4) the Board of Directors deems it necessary;
- (5) the Audit Committee proposes to convene a meeting;

(6) other situations specified by the laws, administrative regulations or these Articles of Association.

Article 52 The Company shall hold the Shareholders' Meeting in the address of the Company or such other place specifically notified by the convener of the Shareholders' Meeting.

The Shareholders' Meeting will set the meeting venue and take place in the form of site meeting. The Company will also provide internet voting to facilitate the Shareholders.

Article 53 When holding the Shareholders' Meeting, the Company shall hire lawyers to issue legal opinion on the following issues and publish them:

- (1) whether the convening and holding procedures of the meeting comply with the laws, regulations and these Articles of Association;
- (2) whether the qualifications of the participants and convener of the meeting are legitimate and valid;
- (3) whether the voting procedure and voting results of the meeting are legitimate and valid;
- (4) legal opinions issued on other relevant matters as required by the Company.

Section 2 Convening of Shareholders' Meeting

Article 54 The Board of Directors shall convene the Shareholders' Meeting on a regular basis and within the prescribed time limit. As approved by more than half of all Independent Directors, Independent Directors shall be entitled to propose to hold an Extraordinary Shareholders' Meeting to the Board of Directors. The Board of Directors shall, within 10 days after receipt of such proposal, give a written reply on the agreement or disagreement to hold such meeting according to the laws, regulations and these Articles of Association.

The Board of Directors shall send the notice for the Extraordinary Shareholders' Meeting within 5 days after making the resolution if the Board of Directors agrees to hold the Extraordinary Shareholders' Meeting, or explain the reason and publish an announcement if the Board of Directors disagrees to hold the Extraordinary Shareholders' Meeting.

Article 55 The Audit Committee shall have the right to propose to hold an Extraordinary Shareholders' Meeting to the Board of Directors, and such proposal shall be made in writing. The Board of Directors shall, within 10 days after receipt of such proposal, provide a written reply on the agreement or disagreement to hold such meeting according to the laws, regulations and these Articles of Association.

If the Board of Directors agrees to hold the Extraordinary Shareholders' Meeting, the Board of Directors shall send the notice of the meeting within 5 days after the Board of Directors makes the resolution, and shall seek the approval of the Audit Committee if the notice contains any changes to the original proposal.

If the Board of Directors disagrees to hold the Shareholders' Meeting or fails to give feedback within 10 days after receipt of the proposal, the Board of Directors shall be considered as being unable or failing to perform the responsibility of convening the Shareholders' Meeting, and the Audit Committee may on its own convene and preside over the Extraordinary Shareholders' Meeting.

Article 56 If Shareholders request to convene an Extraordinary Shareholders' Meeting, the following procedures shall apply:

(1) The Shareholders independently or collectively holding more than 10% of the Shares with voting rights at the proposed meeting may sign one or more written requests with the same format and contents, requesting the Board of Directors to convene an Extraordinary Shareholders' Meeting, and list the agenda of the meeting. The Board of Directors shall, within 10 days after receipt of such request, provide a written reply on the agreement or disagreement to hold Extraordinary Shareholders' Meeting according to the laws, regulations and these Articles of Association. The number of Shares held shall be calculated as of the date on which the Shareholders submit the written request.

If the Board of Directors agrees to hold the Extraordinary Shareholders' Meeting, the Board of Directors shall issue a notice of the meeting within 5 days after the Board of Directors makes the resolution, and shall seek the approval of relevant Shareholders if the notice contains any changes to the original request.

(2) If the Board of Directors disagrees to hold the Extraordinary Shareholders' Meeting or fails to give a feedback within 10 days after receipt of the request, the Shareholders independently or collectively holding more than 10% of the Shares with voting rights at the proposed meeting shall have the right to request in writing to the Audit Committee to hold the Extraordinary Shareholders' Meeting.

If the Audit Committee agrees to hold the Extraordinary Shareholders' Meeting, the Audit Committee shall issue a notice of the meeting within 5 days after receipt of the request, and seek the approval of relevant Shareholders if the notice contains any changes to the original proposal.

If the Audit Committee fails to issue the meeting notice within the specified period, the Audit Committee shall not convene and preside over the Shareholders' Meeting, and the Shareholders holding more than 10% of the Shares independently or collectively for more than 90 consecutive days may convene and

preside over the meeting on their own.

All reasonable expenses incurred by the Shareholders who tender the requisition in convening and holding the meeting as a result of the failure to duly convene the meeting upon the aforesaid requisitions shall be borne by the Company.

Article 57 If the Audit Committee or Shareholders decide to hold the Shareholders' Meeting themselves, they shall notify the Board of Directors in writing and file the meeting notice with the stock exchange.

The convening Shareholders shall hold at least 10% of the Company Shares before the resolution of the Shareholders' Meeting is announced.

When distributing the notice of the Shareholders' Meeting and the announcement of the resolution made by the Shareholders' Meeting, the convening Shareholders shall submit relevant evidences to the stock exchange.

Article 58 If the Audit Committee or Shareholders convene the Shareholders' Meeting on their own, the Board of Directors and the Secretary to the Board shall cooperate. The Board of Directors shall provide the register of Shareholders on the date of record.

Article 59 If the Audit Committee or Shareholders convene the Shareholders' Meeting on their own, the expenses thus incurred shall be covered by the Company.

Section 3 Proposal and Notice of Shareholders' Meeting

Article 60 The contents of the proposal shall fall into the authority of the Shareholders' Meeting, have clear agenda and concrete issues for resolution and shall comply with relevant provisions of the laws, regulations and these Articles of Association.

Article 61 If the Company holds the Shareholders' Meeting, the Board of Directors, the Audit Committee and the Shareholders holding more than 1% of the Company Shares either independently or collectively shall have the right to submit proposals in writing to the Company, and the Company shall list the issues which are the authorities of the Shareholders' Meeting in the agenda of the meeting.

Shareholders independently or collectively holding more than 1% of the Company Shares may come up with special proposals and submit them to the convener 10 days before the Shareholders' Meeting. The convener shall serve a supplementary notice on the Shareholders' Meeting within 2 days after receipt of such proposals and announce the contents of such special proposals and submit such proposals to the Shareholders' Meeting for consideration. However, unless the special proposals are in violation of laws, administrative regulations or the provisions of these Articles of Association, or do not fall

within the terms of reference of the Shareholders' Meeting.

Except for the circumstances prescribed in the preceding provision, the convener shall not revise the proposals already listed in the notice on the Shareholders' Meeting or add new proposals after sending the notice on the Shareholders' Meeting.

The Shareholders' Meeting shall not vote or make a resolution on the proposals not listed in the notice of the Shareholders' Meeting or not in compliance with these Articles of Association.

Article 62 The convener shall notify the Shareholders by way of announcement 21 days prior to the Annual Shareholders' Meeting, and the Extraordinary Shareholders' Meeting shall be notified by way of announcement 15 days prior to the meeting.

Article 63 The Company shall count the Shares with voting rights represented by the Shareholders planning to attend the meeting according to the written replies received within the time period stipulated by Article 77 of the Articles of Association.

Article 64 The notice of the Shareholders' Meeting shall be made in writing, and shall contain the following information:

- (1) the time, venue and duration of the meeting;
- (2) issues and proposals submitted to the meeting for review;
- (3) a clear written statement as follows: All Shareholders have the right to attend or appoint proxies in writing to attend and vote at the meeting on their behalf and that the proxy needs not be a Shareholder of the Company;
- (4) date of record of the Shareholders entitled to be present at the Shareholders' Meeting;
- (5) name and phone number of the resident contact person for the meeting;
- (6) the time and procedures of voting conducted through network or through other means.

No voting at the Shareholders' Meeting conducted through network or other means shall commence earlier than 3:00 pm on the day preceding the date of an on-site Shareholders' General Meeting, and later than 9:30 am on the date of the on-site Shareholders' Meeting, and shall end earlier than 3:00 pm on the date of conclusion of the on-site Shareholders' Meeting.

The interval between the share record date and the date of the meeting shall not be more than seven working days. Once the share record date is confirmed, no change may be made thereto.

Article 65 If the Shareholders' Meeting plans to discuss the election of Directors, the notice of the Shareholders' Meeting shall fully disclose the detailed information of the candidates for Directors, and

shall contain at least the following information:

- (1) personal information including educational background, work experience and any part-time jobs;
- (2) whether there is any connected relationship between them and the Company or the controlling Shareholders or actual controllers of the Company;
- (3) their Shareholdings in the Company;
- (4) whether they have received any penalty imposed by the CSRC and other relevant authorities or any disciplinary sanction by the stock exchange.

Each Director candidate shall be proposed through a separate proposal, except when Directors are elected through accumulative voting.

Article 66 Upon the delivery of the notice of a Shareholders' Meeting, the Board shall not delay or cancel the meeting to be held without due cause, and the proposals listed in the notice of the Shareholders' Meeting shall not be canceled. Where the Shareholders' Meeting is to be delayed or canceled, the convener shall publish an announcement at least 2 working days before the original date of meeting and specify the cause. If the listing rules of the region where the Company Shares are listed provide for the aforesaid matters, such provisions shall prevail.

Section 4 Convention of Shareholders' Meeting

Article 67 The Board of Directors of the Company and other conveners shall take necessary measures to ensure the normal order of the Shareholders' Meeting. They shall take measures to stop disrupting conduct during the Shareholders' Meeting, violation and infringement of the legitimate rights and interests of the Shareholders, and report these to the relevant department in time for investigation and treatment.

Article 68 All Shareholders or its proxies whose names appear on the register of members on the date of registration of equity entitlements shall be entitled to attend and speak at the Shareholders' Meeting and exercise their voting rights in accordance with relevant laws, regulations and the Articles of Association, except where a Shareholder is required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited to abstain from voting to approve the matter under consideration.

Any Shareholders entitled to attend and vote at a Shareholders' Meeting shall have the right to appoint one or several persons (who may not be Shareholders) to act as their proxies to attend and vote at the meeting on their behalf. The proxies so appointed by the Shareholders shall exercise the following rights:

- (1) have the same right as the Shareholder to speak at the meeting;

(2) have authority to demand or, jointly with others, in demanding a poll;

(3) exercise the voting right according to the requirements of relevant laws, regulations and these Articles of Association.

Nevertheless, when more than one Shareholder representative is appointed, such representatives may only exercise the voting right through a poll.

If such Shareholder is a corporation, it may appoint a representative to attend and vote at any Shareholders' Meeting. If the corporation does so, it should be regarded as attendance in-person.

If the aforesaid Shareholder happens to be a recognized settlement and clearing institution (or its agent), he/she may authorize the company representative or one or more persons he / she deems fit to represent himself at any Shareholders' Meeting or Creditors' Meeting, and such representatives shall have the same legal rights as other Shareholders, including the right to speak and vote; however, if more than one person is authorized as such, the authorization shall specify the number and category of the Shares that are specifically relevant to the said representatives as a result of the authorization. The person authorized as such may exercise powers on behalf of the settlement and clearing institution (or its agent), including the right to attend and speak, as if he/she was one of the individual Shareholders of the Company. The settlement and clearing institution mentioned in this paragraph includes Hong Kong Exchanges and Clearing Limited.

Article 69 When an individual Shareholder is present at the Shareholders' Meeting in person, he/she shall show his/her ID card or other effective certificates or evidences that may prove his/her identity as well as the stock account card. In the case of attendance by proxies, the proxies shall produce valid proof of their identities and the letters of authorization.

An institutional Shareholder shall dispatch its legal representative or a proxy consigned by the legal representative to be present at the meeting. If the legal representative attends the meeting, he/she shall produce his/her ID card and effective evidence that may prove his/her qualification as the legal representative. If the legal representative consigns a proxy to participate in the meeting, the proxy shall show his/her ID card and the letter of attorney legally granted by the legal representative of the institutional Shareholder.

Article 70 A Shareholder shall entrust a proxy in writing, and the letter of attorney shall be signed by the appointing party or the proxy entrusted by the appointing party in writing. If the appointing party is an institution, the letter of attorney shall be affixed with the common seal of the institution or signed by the director of the institution or the proxy formally appointed by the institution.

The letter of attorney produced by the Shareholder to consign others to participate in the Shareholders' Meeting shall indicate the following:

- (1) name or title of the appointing party, class and number of Shares held in the Company;
- (2) name or title of the proxy;
- (3) specific instructions from Shareholders, including instructions to cast affirmative, negative or abstention votes on each review issue listed in the agenda of the Shareholders' Meeting;
- (4) date of issuance and valid term of the letter of attorney;
- (5) signature (or seal) of the appointing party. If the appointing party is an institutional Shareholder, the letter of attorney shall be affixed with the common seal of the institution;
- (6) the number of Shares of the appointing party in respect of which the proxy is given;
- (7) if more than one person are appointed as proxies, the letter of attorney shall state the number of Shares in respect of which the proxy is given to each such person.

Article 71 If the voting proxy power of attorney is signed by a person authorized by the appointer, the power of attorney for the authorized signature or other documents of authorization must be notarized. The notarized power of attorney or other documents of authorization shall be compiled together with the voting proxy power of attorney and kept at the address of the Company or other places specified in the notice of the meeting.

Article 72 The Company shall prepare a registration book of all the participants at the meeting. The registration book shall record the names (or institution titles), ID card numbers and residential addresses of the participants in the meeting; the number of Shares with voting rights held or represented by these participants; name of the appointer (or the appointing corporation), etc.

Article 73 The convener and the lawyer appointed by the Company shall together verify the legality of the Shareholder qualifications according to the register of Shareholders provided by the securities registration and settlement institution, and register the names (or titles) of the Shareholders and the number of Shares with voting rights that they hold. The meeting registration shall be completed before the chairman of the meeting announces the number of Shareholders and agents present at the meeting on site as well as the corresponding total Shares with voting rights that they hold.

Article 74 If the Shareholders' Meeting requests the attendance of Directors and the senior management members, the Directors and the senior management members shall attend the meeting and accept the Shareholders' enquiry.

Article 75 The Shareholders' Meeting shall be presided over by the Chairman of the Board. When the Chairman is unable or fails to perform this duty, the Vice Chairman shall preside over the Shareholders' Meeting. If the Vice Chairman is unable or fails to perform this duty, a director jointly elected by a

majority of the Directors shall chair the meeting.

When the Audit Committee holds the Shareholders' Meeting on its own, the convener of the Audit Committee shall preside over the Shareholders' Meeting. When the convener of the Audit Committee is unable or fails to perform this duty, a member of the Audit Committee jointly elected by a majority of members of the Audit Committee shall preside over the meeting.

If the Shareholders convene the Shareholders' Meeting on their own, the convener or his/her elected representative shall preside over the meeting. If the convener is unable to preside over or elects a representative for whatever reason, the Shareholder holding the highest number of Shares with voting rights present at the meeting (including proxy) shall act as the chairman.

If the chairperson violates the rules of procedure at the Shareholders' Meeting and is unable to proceed with the meeting, the Shareholders' Meeting may elect a person to preside over the meeting and thus continue the meeting, with the consent of a majority of Shareholders present at the meeting who have the voting rights. If the Shareholders are unable to elect a chairperson for whatever reason, the Shareholder holding the highest number of Shares with voting rights present at the meeting (including proxy) shall act as the chairman.

Article 76 The Company shall establish the rules of procedure for the Shareholders' Meeting and set forth the calling, convention and voting procedure, including the notice, registration, review of proposals, voting, counting of votes, announcement of voting results, formation of resolution, minutes and its signing, announcement and other contents as well as the principle for the authorization of the Shareholders' Meeting on the Board of Directors, which shall be clear and specified.

The rules of procedure of the Shareholders' Meeting constitute an appendix to these Articles of Association, and shall be drafted by the Board of Directors and approved by the Shareholders' Meeting.

Article 77 The Board of Directors and the Audit Committee shall report their work for the past year at the Annual Shareholders' Meeting. Each independent director shall also report their duty performance at the meeting.

Article 78 The Directors and senior management members shall respond to the inquiries and recommendations of the Shareholders at the Shareholders' Meeting.

Article 79 The chairperson shall, before the voting, announce the number of Shareholders and representatives present at the meeting on site as well as the total Shares with voting rights that they hold, which shall be subject to the meeting registration.

Article 80 The minutes of the meeting shall be prepared by the Secretary to the Board of Directors

for the Shareholders' Meeting. The minutes shall record the following:

- (1) time, venue and agenda of the meeting and the name or title of the convener;
- (2) names of the chairperson as well as the Directors and senior management members participating in the meeting;
- (3) number of Shareholders (including holders of local Shares and holders of overseas listed foreign Shares (if any)), the total Shares with voting rights that they hold and the respective proportions in the total Shares of the Company;
- (4) review process, speech points and voting results concerning each proposal;
- (5) Shareholders' inquiries/suggestions and corresponding feedback and explanations;
- (6) names of the lawyers, vote counters and scrutineers;
- (7) other contents that shall be recorded in the minutes according to these Articles of Association.

Article 81 The convener shall ensure that the contents of the minutes are reliable, accurate and complete. The minutes shall be signed by the Directors, Secretary to the Board of Directors, the convener or his/her representative, and the chairperson attending or present at the meeting. The minutes shall be kept together with the signature list of shareholders attending the on-site meeting, the proxy form and valid information concerning voting through internet and other methods for a permanent term.

Article 82 The convener shall ensure that the Shareholders' Meeting goes on continuously until the final resolution is made. If the Shareholders' Meeting is interrupted or is unable to come to a resolution due to force majeure and other special causes, the convener shall take necessary measures to resume the Shareholders' Meeting as soon as possible or directly terminate the meeting and publish an announcement. At the same time, the convener shall report such issue to the local branch of the CSRC in the region where the Company is based and to the stock exchange.

Section 5 Voting and Resolution of Shareholders' Meeting

Article 83 A resolution of the Shareholders' Meeting is either an ordinary resolution or a special resolution.

If the Shareholders' Meeting makes an ordinary resolution, the resolution shall be adopted by a majority of the voting rights held by the Shareholders (including proxies) present at the meeting.

If the Shareholders' Meeting makes a special resolution, the resolution shall be adopted by more than two-thirds of the voting rights held by the Shareholders (including proxies) present at the meeting.

Article 84 When voting at the Shareholders' Meeting, the Shareholders (including proxies) shall exercise the voting rights according to the number of Shares with voting rights they represent, with each

Share representing voting right of one vote.

The Company Shares held by the Company shall have no voting rights, and shall not be included in the total Shares with voting rights present at the Shareholders' Meeting.

If a Shareholder purchases any voting shares of the Company in violation of provisions of the first paragraph and the second paragraph of Article 63 of the Securities Law, voting rights of the Shares exceeding the prescribed percentage shall not be exercisable within 36 months after the purchase, and such Shares shall not be counted in the total number of voting Shares present at the Shareholders' Meeting.

The Board of Directors, Independent Directors, Shareholders holding more than 1% of the voting shares or investment protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit the voting rights of Shareholders. In soliciting voting rights of the Shareholders, information including the specific voting intention shall be fully disclosed to the persons whose voting rights are being solicited. Soliciting voting rights of the Shareholders on a paid basis or paid basis in disguised form is prohibited. Except for statutory conditions, the Company shall not impose any limitation related to minimum shareholdings on the collection of voting rights. According to the applicable laws, regulations and the listing rules of the region where the Company Shares are listed, when a Shareholder has to give up voting or is restricted to cast an affirmative vote or negative vote on a specific resolution, any vote cast by the Shareholder (or his/her proxy) in violation of relevant provisions or restrictions shall not be counted.

Where material issues affecting the interests of small and medium investors are being considered in the Shareholders' Meeting, the votes casted by small and medium investors shall be counted separately, and the counting result shall be publicly disclosed.

Article 85 The Shareholders' Meeting shall adopt voting by open ballot.

Article 86 the following matters shall be handled by way of ordinary resolutions at a Shareholders' Meeting:

- (1) the work report of the Board of Directors;
- (2) the Board's proposed profit distribution plan and loss recovery plan;
- (3) the appointment and removal of members of the Board of Directors and their remuneration and payment methods;
- (4) matters other than those that are required to be passed by special resolution under laws,

administrative regulations or provisions hereof.

Article 87 The following matters shall be passed by way of special resolutions at a Shareholders' Meeting:

- (1) increase or reduction of the Company's registered capital;
- (2) the division, spin-off, merger, dissolution and liquidation of the Company;
- (3) amendments to the Articles of Association;
- (4) the Company's purchase or sale of major assets or guaranteed amounts provided to others within one year in excess of 30% of the latest audited total assets of the Company;
- (5) equity incentive plans;

(6) other matters which are required to be passed by special resolution under laws, administrative regulations, or the Articles of Association, and which are supposed to have a significant impact on the Company if they are passed by ordinary resolution at a Shareholders' Meeting, and which are required to be passed by special resolution.

Article 88 When the Shareholders' Meeting reviews the issues concerning connected transactions, connected Shareholders shall not participate in the voting. The Shares with voting rights held by such Shareholders shall not be included in the total valid votes. The announcement of the resolution of the Shareholders' Meeting shall fully disclose the voting of the non-connected Shareholders.

Article 89 The list of candidates for the position of Director shall be put in the form of a proposal before the Shareholders' Meeting for voting.

When voting in respect of the election of Directors at the Shareholders' Meeting is conducted, a cumulative voting system may be implemented according to the provisions of the Articles of Association or the resolutions of the Shareholders' Meeting.

When the shareholding of a single Shareholder and the persons acting in concert with him/her/it exceeds 30%, or when two or more Directors are elected at the Shareholders' Meeting, the accumulative voting system shall be adopted.

The accumulative voting system as described in the previous paragraph means that when the Shareholders' Meeting elects Directors, each Share shall have a voting right equal to the number of Directors to be elected, and Shareholders may collectively use their voting rights. The Shareholders

' voting power can be used in a concentrated way to elect one person, or used in decentralized voting to elect several people, and the Directors are elected successively according to their number of votes obtained. The Board of Directors shall disclose to the Shareholders the resumes and basic information of the candidates.

Under the accumulative voting system, the independent Directors and non-independent Directors of the Company shall be elected separately. All the Shareholders' voting rights in the election of independent Directors equal to the total number of shares held by them times the number of independent Directors to be elected, the portion of which shall only be voted for independent Director candidates. All the Shareholders' voting rights in the election of non-independent Directors equal to the total number of shares held by them times the number of non-independent Directors to be elected, the portion of which shall only be voted for non-independent Director candidates.

When the Company convenes the Shareholders' Meeting for the election of Directors, it shall explain to the Shareholders the specific contents of the accumulative voting system and the voting rules, and shall inform them of the voting rights for each share in the election of Directors. When implementing the accumulative voting system, the voting Shareholders shall specify the names of all the Directors they elect on a ballot paper and mark the number of voting rights used by them immediately after the name of each Director and Supervisor they elect. In counting the ballot papers, the total number of voting rights obtained by each Director and Supervisor candidate shall be calculated for determination of the elected Directors.

When accumulative voting is adopted at the Shareholders' Meeting to elect Directors, the following rules shall be followed:

(I) When the accumulative voting system is adopted at the Shareholders' Meeting to elect Directors, all the Shareholders are entitled to cast the total number of voting rights held by them to one or several Director and Supervisor candidates at their own wish (proxies shall follow the instructions on the proxy forms), provided that the number of Director and Supervisor candidates voted by a Shareholder shall not exceed the number of Directors to be elected; if so exceeded, all the Shareholder's votes will be deemed invalid;

(II) If the total number of voting rights exercised by a Shareholder to one or several Director and Supervisor candidates in a concentrated or decentralized way exceeds the total number of voting rights held by him or her, all the Shareholder's votes will be deemed invalid;

(III) If the total number of voting rights exercised by a Shareholder to one or several Director and Supervisor candidates in a concentrated or decentralized way is less than the total number of voting rights held by him or her, the Shareholder's votes are valid, and the difference will be deemed as abstaining;

(IV) Director or Supervisor candidates are ranked in descending order according to their total number of votes obtained, and the Director or Supervisor candidates who are ranked prior to the number of Directors to be elected (including the number) shall be elected. However, the total number of votes obtained to be elected as Directors shall exceed half of the total number voting rights held by the Shareholders attending the Shareholders' Meeting (based on the number of unaccumulated shares);

(V) If the total number of votes obtained by two or more candidates is identical, and the total number of votes is the least among all candidates, a second round of voting shall be conducted at the Shareholders' Meeting in relation to the Director or Supervisor candidates obtaining the identical total number of votes in accordance with the prescribed procedures where all of them being elected would cause the number of elected candidates exceeding the number of Directors to be elected. If it fails to determine the elected candidates at the second round of voting, the corresponding election shall be conducted at the next Shareholders' Meeting. If the members of the Board of Directors or the Supervisory Committee are less than two-thirds as prescribed in the Articles of Association, another Shareholders' Meeting shall be convened within two months after the conclusion of the current one to elect the outstanding Directors.

Article 90 The method and procedure for the nomination of Directors are as follows:

(1) Shareholders holding, either independently or collectively, more than 1% of the total Shares with voting rights issued by the Company may nominate non-employee representatives as candidates for Directors in writing to the Shareholders' Meeting. Nevertheless, the number of nominees shall be subject to the provisions of these Articles of Association and shall not exceed the number of Directors to be elected. The Shareholders shall deliver the aforesaid proposal to the Company at least 14 days before the Shareholders' Meeting begins.

(2) the Board of Directors and the Audit Committee may put forward the list of Director candidates and Supervisor candidates according to the number of Directors to be elected to the extent of the number specified by these Articles of Association, and submit such list to the Shareholders' Meeting through a written proposal.

(3) nomination of independent Directors shall be subject to special procedures to be separately formulated by the Company.

(4) The Shareholders' Meeting shall vote for the individual candidates for the Director position on an individual basis, except when the accumulative voting system is applied.

(5) Any temporary addition of Directors shall be proposed by the Board of Directors to the Shareholders' Meeting for election or replacement.

Article 91 The Meeting shall vote on all the proposals on an individual basis except when the accumulative voting system applies. If there are different proposals on the same issue, voting shall be conducted according to the time sequence of the proposals. No proposal shall be left unnoticed or unresolved at the Shareholders' Meeting, unless the Shareholders' Meeting is terminated or is unable to make resolutions due to force majeure or other special causes.

Article 92 When reviewing a proposal, the Shareholders' Meeting shall not revise the proposal. Otherwise, relevant revisions shall be considered as a new proposal, which shall not be voted on at the current Shareholders' Meeting.

Article 93 One voting right may only be exercised either on site, online or through any one of other voting methods. The first voting result shall prevail when one voting right is used repeatedly.

Article 94 Before the Shareholders' Meeting votes on a motion, two Shareholder representatives shall be elected to participate in the vote counting and vote scrutiny. When a Shareholder is related to a matter being considered, he or she and his or her proxies may not participate in the vote counting or vote scrutiny.

When the Shareholders' Meeting is voting on the proposals, the lawyer, Shareholder representatives and Supervisor representatives shall be jointly responsible for counting and checking the votes. The voting results shall be announced on site, and the voting results for relevant resolutions shall be recorded in the minutes.

A Shareholder or his/her proxy casting the vote online or in other ways shall have the right to check the voting results through the corresponding voting system.

Article 95 The site meeting of the Shareholders' Meeting shall not be closed earlier than that held online or by other means, and the chairperson shall announce the voting results for each proposal, and declare whether the proposal is passed according to the result.

Before the voting results are announced, the companies, vote counters and scrutineers, major Shareholders, internet service providers and other relevant parties involved in the site meeting, the online meeting and other forms of the Shareholders' Meeting shall have the obligation to keep the voting results confidential.

Article 96 Shareholders present at the Shareholders' Meeting shall express one of the following opinions on each proposal submitted for voting: affirmative, negative or abstain, unless securities registration and settlement institutions, as the nominal holders of Shares that can be traded through the Stock Connect Program between Mainland China and Hong Kong, make declarations according to the intention of actual holders.

If a vote is not filled out, or filled out incorrectly, or is indecipherable, or not cast at all, the voter of such vote shall be deemed to have waived their voting right, and the voting result for the Shares held

by such voter shall be considered as “abstained”.

Article 97 If the chairperson has any doubt about the result of the resolution submitted for voting, he/she may organize a recount of the votes that have been cast. If the chairperson fails to do so, the Shareholders or proxies present at the meeting shall have the right to demand to recount the votes immediately after the voting results are announced if they disagree with the results, and the chairperson shall forthwith organize the recount of votes.

Article 98 The resolution of the Shareholders’ Meeting shall be announced in time according to the listing rules of the region where the Company Shares are listed. The announcement shall specify the number of Shareholders and proxies present at the meeting, the total Shares with voting rights held by the participants, the proportion of such Shares to the total Shares with voting rights of the Company, the voting method, the voting result of each proposal, and details of each proposal passed. The participation of the holders of domestic Shares and foreign Shares and the voting results shall be counted separately and announced accordingly.

Article 99 Should the resolution not be passed or the current Shareholders’ Meeting alters the resolutions of the previous meeting, a special note shall be made in the announcement on the resolutions of the Shareholders’ Meeting.

Article 100 If the Shareholders’ Meeting passes a relevant resolution on the election of Directors, the beginning of the term of office of the newly elected Directors shall coincide with the date when the relevant proposal is passed.

Article 101 If the Shareholders’ Meeting adopts a proposal on cash dividend distribution, bonus shares or on the transfer of provident fund to share capital, the Company shall implement a concrete plan within 2 months after the conclusion of the Shareholders’ Meeting.

Chapter 8 Board of Directors

Section 1 Directors

Article 102 The Director shall be elected and replaced by the Shareholders’ Meeting and may be dismissed by the Shareholders’ Meeting before the expiration of his/her term of office. The term of office of the Director shall be three years, and a director may be re-elected and reappointed upon expiry of his/her term of office. The term of each Director shall commence as of the date of passing the resolution at the Shareholders’ Meeting and expire upon the expiry of the term of the current session of the Board of Directors. The employee representatives in the Board of Directors shall be elected democratically by the employees of the Company at employee representatives’ meetings and need not be submitted to the Shareholders’ Meeting for consideration.

If the reelection is not conducted in time after the term of a director expires, the Director shall,

subject to the requirements of the laws, regulations and the Articles of Association, continue to discharge his/her duties as a Director before the newly elected Director takes office. Subject to the relevant laws and regulations, the Shareholders' Meeting may remove any director before the expiry of his/her term of office by passing an ordinary resolution (nevertheless, any claim due under any contract shall not be affected by such removal).

The positions of Directors may be concurrently assumed by the President or other senior management members, but the number of Directors assuming the positions of President or other senior management members and Directors who are employee representatives shall not exceed half of the total Directors of the Company.

Directors are not required to hold the Shares of the Company.

Article 103 Directors shall comply with the laws, administrative regulations and the Articles of Association and shall have a fiduciary obligation to the Company, take measures to avoid any conflict of interest with the Company and not utilize their positions to seek undue benefits.

Directors shall fulfill the following fiduciary obligations:

- (1) not to encroach upon the Company property or embezzle the Company's funds;
- (2) not to deposit the assets or funds of the Company in an account opened under their personal names or any other names;
- (3) not to use the authority to take bribes or solicit other illegal incomes;
- (4) not to directly or indirectly sign any contract or deal with the Company before reporting to the Board of Directors or the Shareholders' Meeting and passing the resolution at the Board meeting or the Shareholders' Meeting in accordance with the provisions of these Articles of Association;
- (5) not to capitalize on their positions to seek for themselves or others any business opportunity that belong to the Company, unless reported to the Board of Directors or the Shareholders' Meeting and approved by a resolution of the Shareholders' Meeting, or the Company is not able to take advantage of the business opportunity in accordance with the laws, administrative regulations or the provisions of these Articles of Association;
- (6) not to operate the same business as the Company for themselves or for others without reporting to the Board of Directors or the Shareholders' Meeting and passing a resolution at the Shareholders' Meeting;

(7) not to misappropriate commissions derived from others for transactions entered into by the Company;

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

(9) not to abuse his connections with the Company to jeopardize the interests of the Company;

(10) other fiduciary obligations as required by the laws, administrative regulations, departmental rules and the Articles of Association.

Any income obtained by the Directors as a result of a violation of this Article shall be owned by the Company. If the Company suffers any loss as a result, the Directors shall be held liable accordingly. The provisions in clause (4) of the second paragraph of this Article shall apply to contracts or transactions entered into by close relatives of Directors or the senior management, enterprises directly or indirectly controlled by Directors or the senior management or their close relatives, and associates with whom Directors or the senior management have other related relationships.

Article 104 The Directors shall comply with the laws, administrative regulations and the provisions of these Articles of Association, and shall fulfill the obligations of integrity and diligence to the Company, and shall perform their duties with the reasonable care normally expected of a manager in the best interests of the Company.

Directors shall fulfill the following obligations of integrity and diligence:

(1) to exercise the rights granted by the Company with prudence, care and diligence to ensure the business conducts of the Company comply with the laws, administrative regulations and various economic policies of the State, and do not exceed the business scope specified in the business license;

(2) to treat all Shareholders fairly;

(3) to understand and possess the latest information about the condition of the operation and management of the Company;

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

(5) to report relevant information and materials honestly to the Audit Committee, and not to

prevent the Audit Committee from performing its duties and authorities; and

(6) other obligations of diligence as specified by the laws, administrative regulations, rules of regulatory authorities and these Articles of Association.

Article 105 Any Director who fails to attend the meeting of the Board of Directors in person or by proxy twice in succession shall be considered as unable to perform his/her duties, and the Board of Directors shall propose to the Shareholders' Meeting to remove such Director from his or her office.

Article 106 Directors may request to resign before his/her term expires. The Directors who resign shall submit a written resignation to the Company, and the resignation shall take effect on the date of receipt of the resignation report by the Company. The Company shall disclose relevant information within 2 business days.

If the number of Directors falls below the quorum caused by the resignation of the Director, the director offering to resign shall, before the new Director takes office, continue to perform the Director's duties according to the laws, regulations and these Articles of Association.

Article 107 The Shareholders' Meeting may remove any Director by a resolution, which shall come into effect from the date on which such resolution is made. Where a Director is removed from office prior to expiration of his/her term of office without reasonable cause, the Director may demand compensation from the Company.

Article 108 No director shall act on behalf of the Company or the Board of Directors in his/her personal name, unless specified under these Articles of Association or authorized the duly by the Board of Directors. When a third party would reasonably believe that the said Director is representing the Company or the Board of Directors while actually acting in his/her personal name, the said Director shall clarify his/her position and identity in advance.

Article 109 If a Director, in the performance of his/her duties, causes damage to others, the Company shall be liable for compensation; the Director shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

Any Director who violates the laws, administrative regulations or these Articles of Association during the course of performing his duties and causes loss to the Company shall be obligated to compensate such loss.

Section 2 Board of Directors

Article 110 The Company shall have a Board of Directors. The Board of Directors of the Company plays a role to formulate strategies, make decisions and prevent risks.

The Board of Directors shall be composed of 9 Directors. The Board of Directors shall have 1 Chairman, and may have 1 Vice Chairman. The Chairman and vice Chairman shall be elected and removed by a majority of all Directors for a term of three years and may be re-elected.

In principle, the number of external Directors shall exceed half of the number of members of the Board of Directors. The term “external Directors” as referred to in this Article refers to non-executive Directors who do not hold other positions in the Company except for the positions of Directors and members of special committees of the Board of Directors.

Article 111 The Board of Directors shall have 1 employee representative Director, who shall be elected democratically by the Company’s employees at the employees’ representatives conference.

Article 112 The Board of Directors performs the following duties:

- (1) to convene the Shareholders’ Meeting and report its work to the Shareholders’ Meeting;
- (2) to implement the resolution of the Shareholders’ Meeting;
- (3) to decide on the business plans and investment plans of the Company;
- (4) to formulate the profit distribution plan and loss recovery plan of the Company;
- (5) to formulate the proposals for increase or decrease the registered capital, issue and listing of bonds or other securities of the Company and listing thereof;
- (6) to draft plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;
- (7) to decide on major investment and financing projects, acquisition or disposal of assets, asset mortgage, external guarantee, financial assistance, consignment wealth management, connected transactions and external donations within the scope of the authorization of the Shareholders’ Meeting;
- (8) to decide on the establishment of the internal management organizations of the Company;
- (9) to elect the Chairman and Vice Chairman of the Company; to appoint or dismiss the President of the Company and the Secretary to the Board of Directors according to the nomination by the Chairman; to appoint or dismiss senior management members such as the Vice President and the person in-charge of finance upon the nomination of the President; to arrange and implement assessments on senior management members, and decide on matters relating to the assessment proposals, assessment

results, remuneration distribution, incentives and punishments;

(10) to formulate the basic management system of the Company;

(11) to formulate proposals for amendment to these Articles of Association;

(12) to manage the information disclosure of the Company;

(13) to propose to the Shareholders' Meeting to appoint or change the accounting firm in charge of the audit of the Company;

(14) to listen to the work report of the President and to review the work of the President;

(15) to formulate stock option incentive plan of the Company;

(16) to decide on the establishment or revocation of the branches of the Company;

(17) to decide on the concrete implementation plan for merger, separation and restructuring of the subsidiaries of the Company;

(18) to decide on the salaries, fringe benefits, rewards and penalty policy and plan of the Company's employees;

(19) to decide on the risk management and internal control system of the Company, including risk assessment, financial control, internal audit and internal control assessment, and legal risk control, etc. and monitor the implementation thereof;

(20) to decide on the set up of special committees under the Board of Directors and to appoint or remove the chairmen of such committees;

(21) to determine the person in charge of the Company's internal audit department;

(22) to decide on the asset mortgage and pledge established by the Company for its own debts;

(23) to decide on the provision of loan guarantees for the headquarters of the Company;

(24) to decide on the expenditures in excess of the annual budget of the Company;

(25) to decide on the Company's legal compliance management system, and conduct overall monitoring and assessment of the Company's legal compliance management system and its effectiveness;

(26) to formulate major reform plans of the Company in accordance with the Articles of Association and the Rules of Procedure for the Board Meetings;

(27) Other authorities specified by the laws, administrative regulations and rules of government departments, and granted by the Shareholders' Meeting.

Matters exceeding the scope authorized by the Shareholders' Meeting shall be submitted to the Shareholders' Meeting for consideration.

The Board of Directors of the Company shall explain at the Shareholders' Meeting the unqualified audit opinion issued by the certified public accountant on the financial statements of the Company.

If the aforesaid authorities of the Board of Directors or any deals or arrangements executed by the Company shall be reviewed by the Shareholders' Meeting subject to the listing rules of the region where the Company Shares are listed, the same shall be submitted to the Shareholders' Meeting for review.

A resolution made by the Board of Directors over the aforesaid issues shall be voted and agreed upon by more than two - thirds of the Directors for items (5), (6) and (11), and voted and approved by more than two-thirds of the Directors present at the Board of Directors for financial assistance and external guarantee in item (7), and voted and approved by more than half of all Directors for other items.

Article 113 Major business and management matters shall be studied and discussed by the Party Committee before the Board of Directors makes decisions based on its functions and powers and according to specified procedures.

Article 114 The Board of Directors shall establish the rules of procedure for the Board of Directors to ensure the implementation of the resolutions passed at the Shareholders' Meeting, efficient operation and scientific decision-making procedures of the Board. The rules of procedure for the Board of Directors, as the appendix to the Articles of Association, which defines the convening and voting procedures, shall be submitted to the Shareholders' Meeting for its approval.

Article 115 At least four meetings of the Board shall be convened every year by the Chairman of the Board. All the Directors shall be notified in writing 14 days before each meeting.

Article 116 An extraordinary meeting of the Board of Directors may be held when it is proposed by the Chairman, the Shareholders representing more than one-tenth of the voting rights, more than one-third of the Directors or the Audit Committee. The Chairman shall convene and preside over the meeting of the Board of Directors within 10 days after receipt of such proposal.

Article 117 The notice on holding an extraordinary meeting of the Board of Directors shall be delivered to all the Directors 5 days prior to the meeting.

Article 118 The notice of the meeting of the Board of Directors shall include the following:

- (1) date and venue of the meeting;
- (2) duration of the meeting;
- (3) subjects and topics;
- (4) issuance date of notice;
- (5) means of convening the meeting.

Article 119 A meeting of the Board of Directors shall not be held unless more than half of the Directors are in attendance. Resolutions made by the Board of Directors must be approved by a majority of all Directors.

The Board of Directors implements a decision- making system of collective deliberation, independent voting and individual accountability. Each Director shall have one vote to cast on the resolutions of the Board.

Article 120 A meeting of the Board of Directors shall be personally attended by the Directors. If they are not able to attend the meeting due to certain reasons, they may authorize other Directors in writing to attend the meeting on their behalf. A letter of attorney shall indicate the name of the proxy, entrusted matters, scope of authorization and term of validity and shall be signed or sealed by the appointer. The appointed Director attending the meeting shall exercise the rights of a Director within the scope of authorization. If a Director does not attend a Board meeting in person, and does not authorize any representatives to attend the meeting, he/she shall be deemed to have waived the voting right in the meeting.

Article 121 In the event that a Director is connected to companies or individual associated with matters to be resolved at the Board meeting, the Director shall promptly report in writing to the Board of Directors. Such Director shall not exercise his/her voting rights on such resolution, nor shall he/she vote on behalf of other Directors. The Board meeting may be convened with a majority of the Independent Directors. Resolutions shall be approved by a majority of Independent Directors at the Board meeting.

When there are less than 3 Independent Directors present at the Board meeting, such matter shall be submitted to the Shareholders' Meeting for consideration.

Article 122 The Board meeting shall be normally convened in a physical venue. All resolutions in a Board meeting shall be voted upon by open ballots.

The convening and voting of the Board meeting may also be conducted by means of video, phone or in writing.

Article 123 The Board of Directors shall record the decision made on the issue discussed at the meeting in the minutes, which shall be signed by the Directors present at the meeting.

The Directors shall be responsible for the resolution made by the Board of Directors. If the Company suffers serious losses because the resolution made by the Board of Directors violates the laws, regulations or these Articles of Association, the Directors voting for the resolution shall be obligated to compensate such loss. Nevertheless, if there is any evidence proving that a Director disagrees with the resolution at the time of voting and such dissidence is recorded in the minutes, the Director will be excused. An abstention vote cast by a Director shall not relieve him/her from the responsibility for the resolution made by the Board of Directors.

The minutes of the Board of Directors shall be kept in the document of the Company for a permanent term.

Article 124 The minutes of the Board of Directors shall contain the following:

- (1) date and venue of the meeting and the name of the convener;
- (2) names of Directors present at the meeting and names of the Directors (as proxies) present at the meeting as entrusted by other Directors;
- (3) agenda of the meeting;
- (4) points of each Director's speech;
- (5) voting method and result of each issue resolved (the voting result shall specify the number of affirmative, negative and abstention votes).

Section 3 The Chairman of the Board of Directors

Article 125 The Chairman of the Board of Directors shall have the following duties and authorities:

- (1) to preside over the Shareholders' Meeting, and convene and preside over the meeting of the Board of Directors;
- (2) to procure and examine the implementation of the resolution made by the Board of Directors;

(3) to nominate candidates for the Secretary to the Board of Directors;

(4) to procure and examine the work of the special committees of the Board of Directors;

(5) to organize the formulation of various operating systems of the Board of Directors and to coordinate the operation of the Board of Directors;

(6) to listen to the work report delivered by the senior management members of the Company on a regular or irregular basis, and to give instructions on the execution of the resolution made by the Board of Directors;

(7) other duties and authorities specified by the laws, administrative regulations and rules of government departments, or granted by the Board of Directors.

Article 126 When the Chairman is unable to perform these duties and authorities, he/she may designate the Vice Chairman to act in his/her stead.

Section 4 Independent Directors

Article 127 The Company shall have Independent Directors. The Independent Directors shall conscientiously perform their duties in accordance with the requirements of laws, administrative regulations, the CSRC, the stock exchange and the Articles, and serve the roles of participation in decision-making, supervising and balancing, and professional consulting in the Board of Directors, so as to safeguard the interests of the Company as a whole and to protect the legal rights and interests of minority Shareholders.

Unless otherwise specified in this section, Independent Directors shall be subject to the qualifications and obligations of Directors stipulated under these Articles of Association, the listing rules of the region where the Company Shares are listed and other relevant regulatory laws and regulations.

Article 128 An Independent Director of the Company is a Director who holds no other positions in the Company and have no direct or indirect interest in the Company or its substantial Shareholders (Shareholders individually or jointly holding more than 5% of the total Shares with voting rights of the Company), or actual controllers or any other relationship that may prevent him/her from making an independent and objective judgment and qualifies as a Director in compliance with the definition of independence in the listing rules of the place where the Company's Shares are listed.

An Independent Director shall maintain his/her independence. None of the following persons may serve as an Independent Director:

(1) persons working in the Company or its subsidiary and their spouses, parents, children and near relatives;

(2) persons who directly or indirectly hold 1% or above of the issued Share capital of the Company or who are natural person Shareholders amongst the top ten Shareholders of the Company or their spouses, parents, children;

(3) persons working in a Shareholder's unit which holds 5% or above of the issued Share capital of the Company or in the units of the top five Shareholders of the Company or their spouses, parents and children;

(4) persons working in the affiliates of the Company's controlling Shareholders or actual controllers and their spouses, parents and children;

(5) persons having material business dealings with the Company and its controlling Shareholders, actual controllers or their respective affiliates, or persons working in entities that have material business dealings with the Company, and their controlling Shareholders or actual controllers;

(6) persons providing financial, legal, consulting, sponsorship and other services for the Company, its controlling Shareholders, actual controllers, or their respective affiliates, including but not limited to all the members of the project teams, the reviewing officers at all levels, the signatory(ies) of the reports, the partners, Directors, senior management and the persons in charge of the intermediary(ies) providing the services;

(7) persons falling under the conditions mentioned in clauses (1) to (6) during in the latest twelve months;

(8) persons who are deemed as not independent under laws, administrative regulations, the requirements of the CSRC, the rules of the stock exchanges and the Articles of Association of the Company.

Affiliates of the Company's controlling Shareholders and actual controllers as set out in clauses (4) to (6) of the preceding paragraphs, exclude enterprises that are controlled by the same state-owned asset management entity as the Company and do not constitute a related party relationship with the Company under the relevant provisions. The Independent Directors shall conduct an annual self-examination of their independence and submit such examination results to the Board of Directors. The Board of Directors shall evaluate the independence of the existing Independent Directors annually and issue a special opinion, and disclose the same in the annual report.

Article 129 An Independent Director of the Company shall meet the following conditions:

(1) to have the qualifications to hold office as a Director of a listed company according to the relevant requirements of laws and administrative regulations;

(2) to meet the independence requirements stipulated under these Articles of Association;

(3) to have basic knowledge of the operation of a listed company, to be familiar with the relevant laws, regulations, and rules;

(4) to have more than five years' work experience in the fields of laws, accounting or economics, etc. required to perform the duties of an Independent Director;

(5) to possess good personal integrity and have no records of major breach of trust or other negative records;

(6) to have fulfilled other conditions required by laws, administrative regulations, the requirements of the CSRC, the rules of stock exchanges and the Articles of Association of the Company.

The Board of the Company shall consist of at least a third of Independent Directors, including at least one accounting professional. The Company shall elect new Independent Directors to fill a gap with the number required herein when such Independent Director fails to meet the requirement of independence or is found not to be fit for duties as an Independent Director.

There shall be at least one Independent Director of the Company who ordinarily resides in Hong Kong.

Article 130 Independent Directors shall serve the same period for each term of office as that of other Directors of the Company. Independent Directors may be reelected when the term expires, however, for a period not exceeding 6 years in succession.

As members of the Board of Directors, the Independent Directors shall owe fiduciary duties and due diligence duties to the Company and its Shareholders as a whole, and shall be prudent in fulfilling the following duties:

(1) to participate in the decision making of the Board of Directors and express clear opinions on matters discussed;

(2) to supervise potential material conflicts of interest between the Company and its controlling Shareholders, actual controllers, Directors, and the senior management to protect the legitimate rights and interests of minority Shareholders;

(3) to provide professional and objective advice on the operation and development of the Company and promote the enhancement of the decision-making level of the Board of Directors;

(4) other duties as stipulated by laws, administrative regulations, CSRC regulations, and the Articles of Association.

Article 131 An Independent Director shall exercise the following special powers:

(1) to independently engage intermediaries to audit, consult, or verify specific matters of the Company;

(2) to propose for the convening of extraordinary Shareholders' Meetings to the Board of Directors;

(3) to propose for the convening of Board meetings;

(4) to publicly solicit Shareholders' rights from Shareholders in accordance with the law;

(5) to express independent opinions on matters that may jeopardize the rights and interests of the Company or minority Shareholders;

(6) other powers as stipulated by laws, administrative regulations, CSRC regulations, and the Articles of Association.

In the event that an Independent Director exercises any of the powers listed in clauses (1) to (3) of the preceding paragraph, the exercise of such powers shall be subject to the approval of a majority of all Independent Directors.

The Company shall disclose in a timely manner if an Independent Director exercises the powers listed in clause (1). If the aforementioned powers cannot be exercised properly, the Company shall disclose the specific circumstances and reasons thereof.

Article 132 The following matters shall be submitted to the Board of Directors for consideration after being approved by the majority of all Independent Directors of the Company:

(1) related party transactions that are discloseable;

(2) changes in or waivers of commitments by the Company and related parties;

(3) decisions made and measures taken by the board of directors of the acquired listed company in relation to the acquisition;

(4) other matter as prescribed by laws, administrative regulations, CSRC regulations and the Articles of Association.

Article 133 The Company shall establish the working system for Independent Directors elaborating the qualifications, nomination, election and replacement, rights and obligations, legal liabilities of Independent Directors, etc. Such working system shall take effect upon approval by the Shareholders' Meeting.

The Company shall establish a mechanism for special meeting attended solely by Independent Directors. Matters such as related party transactions to be considered by the Board of Directors shall be approved in advance by a special meeting of the Independent Directors.

The Company shall hold the special meetings of Independent Directors on a regular or irregular basis. Clauses (1) to (3) of Article 131 and the matters set out in Article 132 of these Articles of Association shall be considered by the special meetings of Independent Directors.

The special meetings of Independent Directors may study and discuss other matters of the Company as needed.

Special meetings of Independent Directors shall be convened and presided over by an Independent Director jointly elected by the majority of the Independent Directors; if the convenor fails or is unable to perform his/her duties, two or more Independent Directors may convene and elect a representative to preside over the meeting on their own.

Minutes of the special meeting of Independent Directors shall be made in accordance with regulations, and the opinions of Independent Directors shall be stated in the minutes. Independent Directors shall sign and confirm the minutes.

The Company shall provide convenience and support for the convening of the special meetings of Independent Directors.

Section 5 Special Committees

Article 134 The Board of Directors of the Company shall establish the Audit Committee to exercise the

powers and functions of the Board of Supervisors as stipulated in the Company Law. In addition to the Audit Committee, the Board of Directors of the Company has special committees such as the Strategy Committee, the Nomination Committee, the Remuneration and Appraisal Committee and the Sustainable Development Committee. When necessary, the Board may establish other committees and restructure existing ones.

Proposals of the special committees shall be submitted to the Board of Directors for consideration and approval. The Board shall separately formulate the working rules for such committees with respect to their duties and meeting procedures.

Article 135 The Audit Committee shall consist of at least three Directors, who do not serve as senior management of the Company, a majority of whom shall be Independent Directors. At least one of the members of the Audit Committee shall be an Independent Director with appropriate professional qualifications or expertise as required by the relevant regulatory laws and regulations of the place where the Company's Shares are listed. The Audit Committee shall have a convenor, who shall be an accounting professional among the Independent Directors, and shall be responsible for convening and presiding over the meetings of the committee.

The Audit Committee is responsible for monitoring and auditing the Company's financial information and its disclosure, supervising and evaluating the internal and external financial reporting system, risk management and internal control. The following matters shall be submitted to the Board of Directors for consideration upon the approval by a majority of the members of the Audit Committee:

(1) disclosure of financial information in the financial accounting reports and periodic reports, and the internal control evaluation reports;

(2) engagement or dismissal of the accounting firm that undertakes the business of auditing of the listed company;

(3) appointment or dismissal of the Company's persons in charge of finance;

(4) changes in accounting policies, accounting estimates or correction of significant accounting errors for reasons other than changes in accounting standards;

(5) other matters stipulated by laws, administrative regulations, requirements of the CSRC, the listing rules and the Articles of Association.

The Audit Committee meets at least once a quarter, and may convene an extraordinary meeting upon

the proposal of two or more members, or when the convener deems necessary. The quorum of the meetings of the Audit Committee shall be at least two-thirds of the members.

Resolutions of the Audit Committee shall be passed by a majority of the members of the Audit Committee. Each member shall have one vote to cast on the resolutions of the Audit Committee.

The Audit Committee shall record the decisions in the minutes in accordance with the regulations, which shall be signed by members of the Audit Committee present at the meeting.

The Board of Directors shall be responsible for the preparation of the working rules of the Audit Committee.

Article 136 The Strategic Committee shall be composed of 3-5 Directors, a majority of whom shall be external Directors. The Strategic Committee shall have a convener, who shall be the Chairman of the Board of Directors. The specific responsibilities of the Strategy Committee are as follows:

(1) to study the medium and long - term development strategies and important investment decisions of the Company and advise the Board of Directors in this regard;

(2) to study and make recommendations on major investment and financing plans, capital operation and asset management projects; and

(3) other duties and authorities granted by the Board of Directors.

Article 137 The Nomination Committee shall be composed of 3-5 Directors, a majority of whom shall be Independent Directors and a majority of whom shall be external Directors. The Nomination Committee shall have a convener, who shall be an Independent Director.

The Nomination Committee is responsible for drawing up criteria and procedures for the selection of Directors and the senior management, selecting and reviewing the selection of Directors and the senior management and their qualifications for appointment, and exercising the following specific responsibilities:

(1) to undertake and draw up the responsibility to study the standards, procedures and methods for selecting Directors, the President and other senior executives of the Company, and put forward suggestions to the Board of Directors;

(2) to select and review the selection of Directors, president and other senior management

members and their qualifications for appointment, and to make recommendations to the Board of Directors;

(3) to make recommendations to the Board of Directors on the nomination or removal of Directors and the appointment or dismissal of senior management members;

(4) to formulate policies on the diversity of Board members (including gender, age, culture and educational background or professional experience) in accordance with the Company's strategy, business model and specific needs, and to study and review the structure, size and composition of the Board at least once a year;

(5) to assess the independence of the independent non-executive Directors;

(6) other authorities granted by the Board of Directors (including but not limited to responsibilities proposed in the relevant principles and provisions in Corporate Governance Code set out in Appendix C1 of the Hong Kong Listing Rules).

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinion of the Nomination Committee and the specific reasons for non-adoption in a resolution of the Board of Directors and disclose the same.

Article 138 The Remuneration and Appraisal Committee shall be composed of 3-5 Directors, a majority of whom shall be Independent Directors and in principle, all of whom shall be external Directors. The Remuneration and Appraisal Committee shall have a convenor, who shall be an Independent Director.

The Remuneration and Appraisal Committee is responsible for formulating the evaluation criteria for Directors and senior management and conducting the evaluation, formulating and reviewing the remuneration policies and programmes such as the mechanism for determining the remuneration of Directors and senior management, the decision-making process, and the arrangements for payment, stoppage and recourse. The specific responsibilities are as follows:

(1) to study and draft the standards for the evaluation of the Directors and the senior management members, conduct evaluations and give suggestions;

(2) to study and draft the remuneration policies, remuneration and performance appraisal programs and proposed reward and punishment schemes for the Directors and senior management members;

(3) to formulate or change of the Company's share incentive plans and employee stock ownership plans, and to ensure that incentive objects are granted rights and the conditions for exercising their rights are met;

(4) to arrange for Directors and senior management shareholding plans for proposed subsidiary spin-off;

(5) other duties assigned by the Board of Directors;

(6) responsibilities that may be exercised by the Remuneration and Appraisal Committee as required or recommended by the Listing Rules of the place where the Company's Shares are listed (including but not limited to responsibilities proposed in the relevant principles and provisions in Corporate Governance Code set out in Appendix C1 of the Hong Kong Listing Rules).

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the opinion of the Remuneration and Appraisal Committee and the specific reasons for non-adoption in a resolution of the Board of Directors and disclose the same.

Article 139 The Sustainable Development Committee shall be composed of 3-5 Directors. The specific responsibilities of the Sustainable Development Committee are as follows:

(1) to research and provide recommendations to the Board of Directors about the objectives, strategies, plans and material decisions relating to sustainable development of the Company (including environment, social, and governance);

(2) to supervise the progress of implementation of strategies and plans for sustainable development of the Company;

(3) to supervise the Company's commitments and performance on key issues such as climate change, protection of health and performance of social responsibilities and to provide recommendations to the Board of Directors;

(4) to focus on key information on sustainable development related to the business of the Company and study relevant sustainable development matters of the Company, and to provide recommendations to the Board of Directors;

(5) to consider the Environment, Social and Governance report (ESG report) of the Company or

social responsibility report and to provide recommendations to the Board of Directors;

(6) other duties exercisable by the Sustainable Development Committee specified or recommended by the listing rules of the place where the Company's shares are listed (including but not limited to the duties recommended by the provisions in the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 of the listing rules of the HKEX);

(7) to guide the formulation of the legal system and compliance management system; to regularly receive compliance management briefings; to conduct regular inspections and evaluations on the compliance management system and its implementation;

(8) other responsibilities and duties assigned by the Board of Directors.

Chapter 9 Secretary to the Board of Directors

Article 140 The Company shall have one Secretary to the Board of Directors. The secretary shall be a senior management member of the Company.

Article 141 The Secretary to the Board of Directors of the company shall be a natural person in possession of the required professional knowledge and experience, and shall be appointed by the Board of Directors. His/Her main responsibilities include:

(1) to prepare the Company's Shareholders' Meeting and Board meeting, and custody of the corresponding meeting documents;

(2) to guarantee that the Company keeps intact organizational documents and records;

(3) to ensure the Company prepares and submits the reports and documents required by the competent authority according to the law;

(4) to guarantee that the register of Shareholders of the Company is properly prepared, and that the persons entitled to obtain relevant records and documents of the Company have timely access to such records and documents;

(5) to handle information disclosure matters.

Article 142 The Directors or other senior management members of the Company except for the President and the chief financial officer may concurrently act as the Secretary to the Board of Directors. Any accountants of the accountants' firm appointed by the Company shall not be appointed as the Secretary to the Board.

If a Director is also the Secretary to the Board of Directors, and a certain act shall be performed by the

Director and the Secretary of the Board of Directors separately, such person who is acting both as a Director and Secretary of the Board of Directors shall not perform the act in double identity.

Article 143 The Directors, the President and the relevant internal departments of the Company shall support the Secretary to the Board of Directors in fulfilling his/her duties according to the law, with necessary assistance in terms of institutional setup, staff deployment and budgets. Relevant departments of the Company shall actively cooperate with the work of the Secretariat to the Board of Directors.

Article 144 The Company shall establish the working rules for the Secretary to the Board of Directors, elaborating the qualifications, work method, work procedure, evaluation, and reward & penalty system for the Secretary to the Board of Directors. Such working rules shall come into effect upon the approval of the Board of Directors.

Chapter 10 Management

Article 145 The Company shall have a management team, which shall execute the resolutions of the Board of Directors under the leadership of the Board of Directors, and shall take charge of the daily operations and management of the Company. The management serves as the executive body of the Company, implements plans and enhances management. The Company signs contracts with members of management with tenures, conducts assessments as required, implements an appointment and removal system and pays remuneration. The management team shall be under the charge of the President.

The management team shall comprise 1 President, several Vice Presidents and 1 Chief Financial Officer.

The provisions of these Articles of Association relating to the circumstances under which a person may not become a Director and the system for managing the termination of his/her office shall also apply to the senior management members.

Article 146 The term of office of the President shall be 3 years, which may be extended after its expiration given a reappointment.

The President may tender a resignation before the expiration of his/her term. The concrete procedures and method for the resignation of the President shall be stipulated in the employment contract between the President and the Company.

A Director may act as President or Vice President concurrently.

Article 147 A person holding any executive position other than director or supervisor in the controlling

Shareholder of the Company shall not be appointed as a senior management member of the Company.

The senior management of the Company shall receive wages from the Company instead of the Controlling Shareholders.

Article 148 The President shall be accountable to the Board of Directors and exercise the following authorities:

- (1) to lead the production, operation and management of the Company, and report to the Board of Directors;
- (2) to organize the implementation of the resolutions made by the Board of Directors;
- (3) to organize the implementation of the Company's annual business plan and investment plan made by the Board of Directors;
- (4) to draft the setup plan for the internal management institutions of the Company;
- (5) to draft the basic management systems of the Company;
- (6) to formulate concrete rules and regulations for the Company;
- (7) to propose the appointment or dismissal of the Company's Vice President and persons in charge of finance;
- (8) to employ and dismiss management staff other than those who shall be employed and dismissed by the Board of Directors;
- (9) to sign important documents with legal binding force on behalf of the Company with external parties under the authorization of the legal representative of the Company;
- (10) to draw up plans for the merger, split and reorganization of the Company's subsidiaries;
- (11) to draft the plan to set up branches of the Company;
- (12) to draft the policies and plans for the salaries, benefits, rewards & penalties of the Company employees;
- (13) to handle special disposal of affairs of the Company in case of force majeure events, in great crisis or at times of emergency where meetings of the Board cannot be convened in time in accordance with the laws and the benefits of the Company pursuant to the authorization of the Board. A report shall be submitted to the Board after such event occurs;

(14) to formulate the proposal for establishing a legal compliance management system of the Company, and arrange its implementation after approval by the Board of Directors;

(15) to discharge other duties conferred by laws, administrative regulations, department regulations or these Articles of Association and those authorized by the Board of Directors.

The authorization granted by the Board of Directors to the President shall be exercised upon discussion and approval by the President's Work Meeting.

Article 149 The President shall attend the meeting of the Board of Directors. If the President is not a Director, he/she shall have no voting rights at the meeting.

Article 150 The Company shall establish a working conference system for the presidential office. The Company shall formulate working rules for the President, which shall be observed after being approved by the Board of Directors of the Company.

Article 151 The working rules of the President include the following:

(1) the conditions and procedures for holding the President's work conference as well as the participants;

(2) specific responsibilities of the President and other senior management members and the division of their duties;

(3) the approval authorities on the utilization of funds and assets of the Company and the signing of major contracts, as well as the reporting system to the Board of Directors and the Audit Committee; and

(4) any other issues deemed as necessary by the Board of Directors.

Article 152 The management of the Company shall discharge their duties honestly and diligently in accordance with the laws, regulations and the Articles of Association.

The Company shall be obligated to compensate the loss caused to others by the senior management member during the course of performing his/her duties, and the senior management personnel shall also be obligated to compensate such loss caused intentionally or by material default.

Any senior management member who violates the laws, administrative regulations, departmental rules or these Articles of Association during the course of performing his/her duties and causes loss to the Company shall be obligated to compensate such loss.

The senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all Shareholders. The senior management members of the

Company shall be liable for compensation due to damages to the interests of the Company and public Shareholders in accordance with the law if they fail to faithfully perform their duties or breach their duty of good faith.

Chapter 11 The Party Committee of the Company

Article 153 The Company shall establish an organization of the Communist Party of China in accordance with the Constitution of the Communist Party of China, the Opinions on Strengthening Party Leadership by Central Enterprises in Improving Corporate Governance and relevant provisions. The Party Committee shall play the leadership role to steer the Company's direction of development, manage the overall situation and ensure the implementation of plans. The Company shall also establish the working organs of the Party, which shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.

Article 154 The Company shall establish the Party Committee. The number of secretary, deputy secretary and members shall be determined in accordance with the approval from the Party organizations of higher levels and they shall be elected or appointed pursuant to relevant requirements of the Constitution of the Communist Party of China and other regulations. The Company shall adhere to and improve the leadership system of "cross appointment", and eligible members of the Party Committee may take seats in the Board of Directors, the Audit Committee and the senior management through legal procedures, while eligible members of the Board of Directors, the Audit Committee and the senior management may take seats in the Party Committee in accordance with relevant rules and procedures. Meanwhile, a discipline inspection committee shall be established in accordance with relevant requirements. The secretary of the discipline inspection committee may attend meetings of the Board of Directors and the special committees of the Board of Directors of the Company.

Article 155 The Party Committee of the Company shall perform its duties pursuant to the Constitution of the Communist Party of China and other regulations of the Party.

(I) To strengthen the political role 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 follow suit with the Central Committee of the Party with comrade Xi Jinping at the core in terms of political orientation, direction, principles and path;

(II) To thoroughly study and implement the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, learn to promote the Party's theories, adhere to the Party's values, principles and policies, supervise and ensure the implementation of major decisions and arrangements of the Central Committee of the Party and the resolutions of the Party organizations of higher levels in the Company;

(III) To study and discuss major business management matters of the Company and support the Shareholders' Meeting, the Board of Directors, and the management in exercising their functions and powers in accordance with the laws. Major business management matters of the Company should be studied and discussed by the Party Committee before being decided by the Board of Directors in accordance with relevant regulations;

(IV) To strengthen the management of and review the selection and employment of the Company's personnel, and build and cultivate the leadership, cadres and talents of the Company;

(V) To fulfil the responsibilities of the Company for building a healthy culture, lead and support internal discipline inspection organizations to fulfill their duties of supervision, discipline and accountability, strictly implement political disciplines and rules, and penetrate all-round and strict administration of the Party into the grassroots level;

(VI) To study and formulate major systems for party building work and plans for the establishment and adjustment of party organizations, strengthen the establishment of grass-roots Party organizations and Party members, unite and lead the employees to actively participate in the reform and development of the Company;

(VII) To lead the ideological and political work, spiritual civilization and united front work of the Company, and lead mass organizations such as the labor union, the Communist Youth League and women's organizations of the Company;

(VIII) To carry out inspections in accordance with the needs of its work, to set up inspection bodies, and to supervise the party organizations of the units at the next higher level in accordance with the affiliation of the party organizations and the management authority of the cadres in principle;

(IX) To discuss and decide other important matters within the scope of duties of the Party Committee.

Chapter 12 Qualifications and Duties of Directors and Senior Management Members of the Company

Article 156 A person shall not act as the Director, Supervisor, President or other senior manager of the Company if any of the following circumstances applies:

- (1) person without legal or with restricted legal capacity;
- (2) a person who has committed an offence of corruption, bribery, infringement of property,

misappropriation of property or sabotaging the social economic order and has been punished because of committing such offense; or who has been deprived of his/her political rights, in each case where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation or less than 2 years have elapsed since the date of the completion of probationary period if such person is on probation;

(3) a period of less than 3 years has elapsed since the completion of the liquidation of any company or enterprise which was insolvent and where the person acted as a director or factory manager, manager of such company or enterprise and was personally liable for such insolvency;

(4) a period of not less than 3 years has elapsed since revocation of the business license and order for closure of a company or enterprise due to illegal business operations where the person was the legal representative of such company or enterprise and for which he was personally liable;

(5) the person fails to repay a substantial amount of personal debt after it is due and is designated by the People's Court as a dishonest person subject to enforcement;

(6) the person is being investigated by the judicial department because of a violation of the criminal law, and the case remains pending;

(7) the person is forbidden by the CSRC to access the securities market, and the period of such penalty has not yet expired;

(8) having been publicly determined by the stock exchange as unfit to serve as a director, supervisor or senior management member of listed companies, with the term yet to be expired;

(9) a period of less than 5 years has elapsed since the person was adjudged by the relevant governing authority to be guilty of contravention of provisions of securities regulations involving fraud or dishonesty;

(10) other circumstances as may be specified by the laws, regulations, the regulator and the stock exchange of the region where the Company is listed.

For any election, appointment of a Director in contravention of the provisions prescribed by this Article, such election, appointment or engagement shall be void and null. If a Director is involved in any of the circumstances in this Article during his/her term of office, the Company shall remove him/her from his/her position and cease his/ her duties.

Article 157 The provisions of these Articles of Association concerning the duties of loyalty and diligence of Directors shall also apply to the senior management.

Article 158 The Company has established a system for managing the departure of Directors and Senior Management Members, and has specified safeguards for the recovery of liability and compensation for

unfulfilled public undertakings and other outstanding matters. When the resignation of Directors and Senior Management Members takes effect or when their term of office expires, they shall complete all handover procedures to the Board of Directors. The fiduciary duty of a Director and senior management member of the Company does not necessarily cease upon the termination of his/her tenure of office, but remains valid for one year from the effective date of his/her resignation or the expiry date of his/her term of office, and his/her obligation to maintain the confidentiality of the Company's trade secrets remains valid after the expiry of his/her term of office, and before such trade secrets become public information.

Article 159 The Company may establish the necessary liability insurance system for Directors and senior management members to reduce the risk they may invite during the normal performance of their duties.

Chapter 13 Democratic Staff Management and Labor and Personnel System

Article 160 The Company shall, in accordance with the laws and regulations, improve the democratic management system with the employees' representatives conference as the basis, promote the transparency of factory and business operations, and grant the employees the rights to be informed, participate, express views and supervise the operation. Major decisions should be made after listening to the opinions of the employees, and major issues involving the vital interests of the employees must be considered by the employees' representatives conference or the employees' meeting. The employee representative director system should be adhered to and improved to safeguard the rights and interests of employees' representatives to participate in corporate governance in an orderly manner.

Article 161 The employees of the Company shall organize a trade union in accordance with the Trade Union Law of the People's Republic of China to carry out trade union activities and safeguard the legitimate rights and interests of the employees. The Company shall provide necessary conditions for the activities of the trade union.

Article 162 The Company shall abide by relevant national laws and administrative regulations on labor protection and production safety, implement relevant national policies, and safeguard the legitimate rights and interests of workers. In accordance with the relevant national laws, administrative regulations and policies on labor and personnel, the labor, personnel and wage systems shall be formulated in light of the needs of production and operation.

Article 163 The Company shall, based on its actual situation, implement selection and employment mechanisms that meet market-oriented requirements such as open recruitment of employees, election and competitive recruitment of managers, demotion and firing of incompetent employees.

Article 164 Establish a competitive remuneration distribution system for key and core talents to optimize and make good use of medium and long-term incentive policies.

Chapter 14 Financial and Accounting System, Profit Distribution, Audit and Counsel System

Section 1 Financial and Accounting System

Article 165 The Company shall establish a financial and accounting system in line with the laws, regulations and provisions of relevant authorities.

Article 166 The accounting year of the Company is based on the Gregorian calendar year, that is, an accounting year ranging from January 1 to December 31 of the Gregorian calendar.

The Company shall prepare a financial report within 4 months after the end of each accounting year, and such financial statement shall be reviewed and verified according to the laws.

The financial statements of the Company shall be prepared in line with the accounting standards, laws and regulations of China, except for those to be prepared under the international accounting standards or the accounting standards observed in the overseas listing region pursuant to the requirements of the laws and regulations or the listing rules of the region where the shares of the Company are listed. If there is any significant discrepancy between the financial statements prepared in accordance with two accounting standards, such discrepancy shall be specified in the notes on the financial statements.

When the Company distributes the post-tax profit in an accounting year, the smaller post-tax profit in the aforesaid two financial statements shall prevail.

Article 167 The Board of Directors of the Company shall, at each annual Shareholders' Meeting, submit to the Shareholders the financial reports that shall be prepared by the Company under relevant laws and regulations.

Article 168 The Company shall submit and disclose its annual report to the dispatched office of CSRC and the stock exchange within 4 months after the end of each accounting year; submit and disclose its interim report to the competent branch of the CSRC and the stock exchange within 2 months after the end of the first half of each accounting year.

The above-mentioned annual report and interim report are prepared in accordance with relevant laws, administrative regulations and the provisions of the CSRC and the stock exchange.

Article 169 The Company shall not maintain a separate accounts book except the one required by law. The fund of the Company shall not be deposited in any account opened under a personal name.

Article 170 The financial report of the Company shall be kept at the Company and shall be made

available to the Shareholders at least 20 days before the Annual Shareholders' Meeting is held. Each Shareholder of the Company shall have the right to obtain the financial report mentioned in this Chapter.

The Company shall send by prepaid mail 21 days before the Annual Shareholders' Meeting the above reports to each holder of the H Share listed in Hong Kong stock exchange or by other method permitted by the stock exchange where the Company Shares are traded, and the addresses of the recipients shall be subject to the registration in the register of Shareholders.

Article 171 The capital reserve includes the amounts named below:

- (1) premium obtained from the Share issuance at a price higher than the face value;
- (2) the proceeds from the issuance of no-par Shares are not credited to the registered capital;
- (3) other income that shall be listed in the capital reserves according to the provisions of the finance administration authority of the State Council.

Article 172 The Company shall, when distributing the post-tax profit of an accounting year, accrue 10% of the profit to list it in the legal reserves of the Company. The Company may not further accrue the legal reserves when its accumulative amount exceeds 50% of the registered capital of the Company.

When the legal reserves of the Company falls short to offset the loss of prior years, the Company shall use the profit earned during the year to offset the loss before accruing the legal reserves according to the previous paragraph.

After accruing the legal reserves out of the post-tax profit, the Company may, subject to the resolution of the Shareholders' Meeting, accrue the free reserve out of the post-tax profit.

The post-tax profit left after the loss recovery and accrual of the reserves shall be distributed in proportion according to the Shareholding proportions of the Shareholders, unless otherwise specified under these Articles of Association.

If the Shareholders' Meeting breaches the Company Law by distributing the profit to the Shareholders, the Shareholders shall return to the Company the profit distributed in violation of the law. In case of losses caused to the Company, Shareholders and responsible Directors and senior management members shall be liable for compensation.

The Company Shares held by the Company shall not participate in the profit distribution.

Article 173 Basic principles of the Company's profit distribution policy:

(1) The Company shall take full account of return to investors and distribute dividend in the sum of stipulated proportion of the Company's distributable profit for the year concerned.

(2) The Company's profit distribution policy shall maintain continuity and stability in the interest of the Company in the long term and that of all Shareholders as a whole and in line with the sustainable development of the Company.

(3) The Company gives priority to profit distribution in cash. The Company shall take various factors into account, including its industry features, development stages, business model and profitability as well as whether it has any substantial capital expenditure arrangement, to propose a differentiated policy for distributing cash dividend pursuant to the procedures stipulated in the Articles of Association. The proportion of cash dividend to profits of the year shall be determined in compliance with the laws, regulations, regulatory documents and rules of the stock exchange(s).

Article 174 The particulars of the Company's profit distribution policy are set out as follows:

(1) Forms of profit distribution: the Company may distribute its profit in the form of cash, shares or a combination of cash and shares. Subject to conditions, interim profit distribution may be made by the Company.

(2) Specific conditions and ratios for distributing cash dividend by the Company:

The objective of cash dividend policy is residual dividend.

If the Company records profit and positive accumulated undistributed profit, the Company shall distribute dividend in cash, and the profit distributed in cash per annum shall not be less than 15% of the realized distributable profit of the Company for that year.

When one of the following circumstances occurs, the distribution of profits may not be made:

(i) The net operating cash flow of the Company is negative for that year;

(ii) When the audited report for the most recent year contains a qualified opinion or an unqualified opinion with a paragraph on material uncertainties relating to going concern;

(iii) Other circumstances where cash dividend in the sum of less than 15% of the realized distributable profit of the company is approved by the Shareholders in a Shareholders' Meeting, including but not limited to no cash dividend distributed due to the plan of the Company for financing significant investments in the next 12 months. The criterion for such significant investments is: total investment budget for the second half year exceeds 15% of the Company's net assets as stated in the consolidated financial statements.

(3) Specific conditions for distributing dividends in shares by the Company:

Where the Company's business is in a sound condition, and the Board of Directors considers that the stock price of the Company does not reflect its Share capital and distributing dividend in shares will be in the interest of all shareholders of the Company as a whole, the Company may propose dividend distribution in shares, provided that the above conditions for cash dividend are fulfilled.

Article 175 Procedures for considering the dividend distribution plan of the Company:

(1) The profit distribution plan of the Company shall be studied by the president's office and Party Committee before submitting to the Board of Directors of the Company for consideration. The Board of Directors shall thoroughly discuss the reasonableness of the profit distribution plan and form a special resolution before submitting to the Shareholders' Meeting for consideration. Before the Shareholders' Meeting is convened to consider the detailed plan on distribution of cash dividend, the Company will communicate proactively with Shareholders, especially the minority Shareholders, through a variety of channels, to sufficiently learn the opinions and aspirations of the minority Shareholders, and promptly reply the questions being concerned by the minority shareholders.

(2) The Board shall carefully review and justify the timing for the distribution of cash dividends by the Company, the conditions and minimum proportion, conditions of adjustment and decision-making procedures and other matters.

(3) Where the Company resolves not to distribute cash dividend under the circumstances as specified in Article 174, the Board of Directors shall explain the specific reasons for not distributing cash dividend, the exact purpose for the retained profit and the estimated investment return, submit such to the Shareholders' Meeting for consideration, and disclose the same in the designated media of the Company.

Article 176 Adjustment to the profit distribution policy of the Company:

In case of war, natural disasters and other force majeure, or changes in the Company's external operational environment resulting in material impact on its production and operation, or relatively significant changes in the Company's operational position, the Company may adjust its profit distribution policy.

The Board of Directors shall conduct specific discussion over adjustment to the Company's profit distribution policy, demonstrate in detail the reasons for such adjustment, prepare a written report to be considered by Independent Directors, and then submit to the Shareholders' Meeting for approval by way of a special resolution. In considering alterations to the profit distribution policy, the Company shall make internet voting accessible to the Shareholders, subject to compliance with applicable laws and regulations.

Article 177 The reserves of the Company are used to offset the losses of the Company, expand business scale or bolster registered capital.

The discretionary reserve fund and statutory reserve fund shall be used first to offset the losses of the Company; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations.

When the legal reserve is converted into bolster registered capital, the remaining amount of such reserve shall not be less than 25% of the registered capital of the Company before the conversion.

Article 178 The amount paid by a Shareholder for any Share before the Shareholders are urged to pay for their Shares may earn interest, but the Shareholder shall have no right to get the dividend declared subsequently on such prepaid amount.

Article 179 If the Company issues overseas listed foreign Shares, the Company shall appoint a collection agent for the Shareholders holding overseas listed foreign Shares. The collection agent shall, on behalf of relevant Shareholders, receive the dividend and other payables distributed by the Company in respect to the overseas listed foreign Shares, and reserve such amount in order to pay the relevant Shareholders.

The collection agent appointed by the Company shall meet the requirements under the laws of the listing region or relevant provisions of the stock exchange.

The collection agent appointed by the Company for the holders of the overseas listed foreign Shares listed at the HKEX shall be a trust company registered in accordance with the Trustee Ordinance of Hong Kong.

Subject to the relevant laws and regulations of China, the Company may exercise the right to confiscate unclaimed dividends, but such right shall be exercised only after the applicable time after the declaration of relevant dividend expires.

The Company shall have the right to terminate the delivery of the dividend coupon through the postal service to a holder of overseas listed foreign Shares, but the Company may only exercise such right after the dividend coupon is not cashed twice in succession. However, the Company may also exercise such right after the dividend coupon is not delivered to the recipient for the first time and is thus returned.

The Company shall have the right to sell the overseas listed foreign Shares held by a Shareholder who is not available for contact in such a way as is considered appropriate by the Board of Directors, but this shall observe the following conditions:

(1) the dividend has been distributed to Relevant Shares for at least 3 times within 12 years, during which the dividend is unclaimed;

(2) after the 12-year period expires, the Company shall publish an announcement on at least one newspaper in the listing region of the Company, specifying the intent to sell the Shares, and notify the stock exchange where such Shares are listed.

Article 180 After a resolution on the profit distribution plan is made at the Shareholders' Meeting, or after the Board of Directors of the Company has formulated a specific plan based on the conditions and maximum amount of interim dividends for the following year as considered and approved at the annual Shareholders' Meeting, the Board of Directors of the Company shall complete the distribution of the dividend (or Shares) within 2 months after the said meeting.

Article 181 The Company shall distribute a bonus and dividend in foreign currency or RMB pursuant to the Administrative Regulations on Foreign Exchange, the Measures for the Administration of the RMB Cross-Border Payment and Receipt and other requirements.

Article 182 If foreign currencies are used to pay the cash dividend and other amounts, the exchange rate shall be the average selling rate published by the People's Bank of China within one Gregorian week before the declaration of the dividend and other amounts, unless otherwise specified by relevant laws and regulations.

Section 2 Internal Audit and General Counsel System

Article 183 The Company shall have an internal audit system, which specifies the leadership system, duties and responsibilities, staffing, financial security, use of audit results and accountability for internal audit work. The internal audit system of the Company shall be implemented after approval by the Board of Directors and disclosed to the public. The Company's internal audit organization shall supervise and inspect the Company's business activities, risk management, internal control and financial information. The internal audit organization shall maintain its independence, be equipped with full-time auditors, and shall not be placed under the leadership of the finance department or co-located with the finance department.

Article 184 The internal audit organization is accountable to the Board of Directors. The internal audit organization shall be subject to the supervision and guidance of the Audit Committee in the course of its supervision and inspection of the Company's business activities, risk management, internal control and financial information. If the internal audit organization discovers any relevant major issues or clues, it shall immediately report directly to the Audit Committee.

Article 185 The internal audit organization shall be responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report and relevant information issued by the internal audit organization and reviewed by the Audit Committee. The Audit Committee shall

participate in the evaluation of the person in charge of internal audit.

Article 186 When the Audit Committee communicates with external auditing entities such as accounting firms and state auditing organizations, the internal auditing organization shall actively cooperate and provide necessary support and collaboration.

Article 187 The legal representative is responsible for the compliance management of the Company to promote compliance management of the Company. By implementing the general counsel system, the Company has one general counsel to serve as a gatekeeper to supervise the Company's operation and management, to promote the Company's operation in accordance with the laws and facilitate the Company's compliance management.

Chapter 15 Appointment of an Accounting Firm

Article 188 The Company shall engage an independent accounting firm that conforms to the relevant provisions of the State to audit and review the annual financial reports and other financial reports of the Company, audit the accounting statement, verify the net assets or offer other consulting services.

Article 189 The term of the accounting firm engaged by the Company shall commence when the current Annual Shareholders' Meeting finishes and end when next Annual General Shareholders Meeting concludes.

Article 190 The Company guarantees that it will provide the accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information without any rejection, omission or falsehood.

Article 191 Engagement or removal of the accounting firm by the Company shall be subject to the resolution of the Shareholders' Meeting, and the Board of Directors shall not appoint the accounting firm until the Shareholders' Meeting makes its decision.

Article 192 The remuneration of the accounting firm and the method to determine such remuneration shall be ascertained by the Shareholders' Meeting or authorised by the Shareholders' Meeting to be ascertained by the Board of Directors.

Article 193 When the Company dismisses or disengages the accounting firm, it shall notify the accounting firm at least 15 days in advance, and the accounting firm shall have the right to air their side at the Shareholders' Meeting when the Shareholders' Meeting of the Company votes on the dismissal of the accounting firm. When the accounting firm requests to resign from the position, the accounting firm shall explain to the Shareholders' Meeting whether there is anything inappropriate with the Company.

Chapter 16 Notices

Article 194 The notices of the Company shall be sent out in the following ways:

- (1) sent out by hand;
- (2) sent out by mail;
- (3) sent out by fax or email;
- (4) published on the website designated by the company and the stock exchange in compliance with laws and regulations and the listing regulations at the place where the Stock of the Company is listed;
- (5) sent out by announcement;
- (6) other forms already agreed upon by the Company or the recipient in advance or recognized by the party notified on the receipt of the notice;
- (7) any other way recognized by the regulatory authority in the region where the Company Shares are listed or specified by the Articles of Association.

Subject to compliance with the laws and regulations, the securities regulatory rules of the place where the Company's Shares are listed and the provisions of these Articles of Association, any notice of the Company given by way of announcement shall be deemed to be received by all relevant persons once the announcement is made.

Article 195 Unless otherwise specified by these Articles of Association, the various forms of sending notices stipulated in the previous Article shall apply to the notices on holding Shareholders' Meetings and meetings of the Board of Directors and the Audit Committee.

Article 196 If the notice of a meeting fails to be delivered by accident to a person entitled to receive the notice or such person fails to receive the notice, such meeting and the resolution made shall not become invalid on account of such failure.

Article 197 If a notice of the Company is sent by hand, the recipient shall sign (or stamp) the delivery receipt, and the date of signature of receipt shall be the date of service. If a notice of the Company is sent by mail, the 48th hour after the mail is delivered to the post office shall be the date of service. If the notice of the Company is sent out by fax or E-mail or issued by a website, the date of sending out or of issuance shall be the date of service. If the notice of the Company is sent through an announcement, the date of publishing the announcement for the first time shall be the date of service.

The Company designates the media that meets the conditions stipulated by the CSRC as the media to publish the Company announcements and other information that is required to be disclosed.

Article 198 If, according to the listing rules of the region where the Company Shares are listed, the Company must send, post, distribute, issue, publish or otherwise provide relevant documents of the Company in English and in Chinese, and the Company has made an appropriate arrangement to determine whether the Shareholders hope to receive the English edition only or the Chinese edition instead, the Company may (according to the preference stated by the Shareholders) send only the English edition or the Chinese edition to relevant Shareholders to the extent as permitted by, and in line with, the applicable laws and regulations.

Chapter 17 Merger, Separation, Dissolution and Liquidation of the Company

Section 1 Merger and Separation

Article 199 The merger of the Company may take the form of either absorption consolidation or establishment consolidation. In the case of merger by absorption, the company being absorbed shall be dissolved. Merger by establishment of a new company shall refer to the establishment of a new company as a result of merger of two or more companies and the merger parties shall be dissolved.

If the price paid for the Company's merger does not exceed 10% of the Company's net assets, approval by resolution of its Shareholders' Meeting may not be required unless otherwise provided by the Articles of Association.

Where the Company's merger is exempted from approval by resolution of the Shareholders' Meeting in the preceding paragraph, it shall be subject to approval by resolution of the Board.

Article 200 In the case of consolidation, relevant parties to the consolidation shall sign a consolidation agreement, and prepare the balance sheet and property list. The Company shall notify the creditors within 10 days after the date when the resolution for consolidation is made, and announce the resolution within 30 days in the newspapers recognized by the stock exchanges where the Company Shares are listed or on the National Enterprise Credit Information Publicity System. The creditors shall have the right to require the Company to liquidate the debts or offer the corresponding guarantee for debt service within 30 days after receipt of the notice or within 45 days if they do not receive the notice.

Article 201 In the merger of the company, the credits and debts of all parties to the merger shall be inherited by the surviving company or the newly established company.

Article 202 When the Company is separated, its assets shall be separated accordingly.

In case of separation, the Company shall compile its balance sheet and property list. The Company shall notify the creditors within 10 days after the date when the resolution for separation is made, and announce the resolution within 30 days in the newspapers recognized by the stock exchanges where the Company Shares are listed or on the National Enterprise Credit Information Publicity System.

Article 203 The Company after the separation shall bear the joint and several liabilities for the debts of the Company before the separation, unless otherwise specified by a written agreement on debt repayment reached by the Company with the creditors before the separation.

Article 204 Upon the reduction of registered capital, the Company shall prepare a balance sheet and a list of its assets.

The Company shall notify its creditors within 10 days from the date when the resolution for the reduction of registered capital is made, and shall publish the notice within 30 days in newspapers authorized by the stock exchanges where the Company Shares are listed or the National Enterprise Credit Information Publicity System. The creditors who have received the said notice shall have the right within 30 days from the date of receiving the notice, and the creditors who have not received the notice shall have the right within 45 days from the date of the notice being first published to demand the Company to settle the debt or to provide corresponding security in respect of the debt.

Upon the reduction of registered capital, the Company shall reduce its capital contribution or shares in proportion to the proportion of shares held by shareholders, except as otherwise provided by law or the Articles of Association.

Article 205 If the Company still incurs losses after making up for the losses in accordance with the provisions of paragraph (2) of Article 177 of these Articles of Association, it may reduce its registered capital to make up for the losses. When reducing registered capital to make up for losses, the Company shall not distribute to Shareholders, nor shall it exempt Shareholders from their obligations to contribute capital or pay for Shares.

The provisions of paragraph (2) of Article 204 of these Articles shall not apply to the reduction of registered capital in accordance with the preceding paragraph. However, the Company shall, within 30 days from the date of the resolution of the Shareholders' Meeting to reduce the registered capital, announce the reduction in the newspapers recognized by the stock exchanges where the Company Shares are listed or on the National Enterprise Credit Information Publicity System.

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

Article 206 If the registered capital is reduced in violation of the Company Law and other regulations, the Shareholders shall return the funds they have received, and the Shareholders shall restore the capital contributions to the original state if their capital contribution are reduced or exempted; if losses are caused to the Company, the Shareholders and Directors and senior management members shall be liable for compensation.

Article 207 Where an increase in registered capital of the Company is made by means of issue of new Shares, the Shareholders do not have any pre-emptive right unless the Articles of Association provides otherwise or the Shareholders' Meeting resolves that the Shareholders shall have pre-emptive right.

Article 208 If the merger or separation of the Company involves a change in corporate registration, the Company shall have the change registered with the registrar according to the law. If the Company is dissolved, it shall handle the write-off registration. If a new company is established, the Company shall handle the establishment registration according to the law. If the Company increases or reduces its registered capital, the Company shall, in accordance with the law, apply for change of registration with the company registration authority.

Section 2 Dissolution and Liquidation

Article 209 The Company shall be dissolved for the following causes:

(1) the business period specified under these Articles of Association expires or other dissolution events specified in these Articles of Association occur;

(2) dissolved according to the resolution of the Shareholders' Meeting;

(3) dissolution of the Company becomes necessary due to a merger or separation of the Company;

(4) business license is terminated in accordance with the laws, or the business is ordered to close or terminated;

(5) the Shareholders holding more than 10% of the voting rights of the Company request the court to dissolve the Company, when the Company faces serious difficulties in business and operations that its further existence would seriously harm the interests of the Shareholders, which has become unavoidable after all other solutions have been exhausted.

If the Company has any cause for dissolution specified in the preceding paragraph, it shall make public the cause of dissolution through the National Enterprise Credit Information Publicity System within 10 days.

If the Company falls under the circumstances specified in clause (1) or (2) of the first paragraph of this

Article, and has not distributed property to Shareholders, it may continue to exist by amending these Articles of Association or by resolution of the Shareholders' Meeting.

Amending these Articles of Association or obtaining a resolution of the Shareholders' Meeting based on the preceding paragraph requires the approval of more than two - thirds of the voting rights held by the Shareholders present at the Shareholders' Meeting.

Article 210 If the Company is dissolved due to clause 1, paragraph (1), (2), (4) and (5) under Article 209 of the Articles of Association, it shall be liquidated, and the Directors, being the liquidation obligors, shall form a liquidation team for liquidation within 15 days from the date of occurrence of the cause for dissolution.

The liquidation team shall comprise the Directors, unless the Articles of Association provide otherwise or it is resolved at the Shareholders' Meeting to elect another person(s).

If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

Article 211 The liquidation group has the following functions and powers during liquidation.

- (1) liquidate company assets, prepare the balance sheet and list of properties;
- (2) inform and notify the creditors;
- (3) process and liquidate the Company's relevant unfinished businesses;
- (4) pay up the balance and tax payment incurred in the process of liquidation;
- (5) settle claims and debts;
- (6) handle surplus assets remaining after the discharge of its liabilities;
- (7) attend any civil litigation activities on behalf of the Company.

Article 212 The liquidation group shall notify the creditors within 10 days commencing from its establishment, and issue a public notice in the newspaper approved by the Securities Exchange where the Company Shares are listed or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall declare the right of credit to the liquidation group within 30 days after receiving the notice, or 45 days in case they do not receive the notice.

The creditor shall declare the right of credit, explain the relevant matters and provide supporting materials. The liquidation group shall register the creditor's rights.

During the period of declaration of the right of credit, the liquidation group may not pay any debt

to the creditor.

Article 213 After liquidating the corporate property and preparing the balance sheet and list of properties, the liquidation group shall formulate the liquidation scheme and submit it to the Shareholders' Meeting or the People's Court for confirmation.

Upon the respective payment of liquidation costs, wages for employees, social insurance and statutory compensations, outstanding taxes and loans, and pay off debts, surplus assets of the Company shall be distributed to Shareholders in accordance with their proportion of Shares held.

During the liquidation period, the company continues to exist, but shall not carry out any business activities irrelevant to the liquidation. The company property, prior to the settlement of debts in accordance with the preceding Article, will not be allocated to Shareholders.

Article 214 If the liquidation group finds that the Company's assets are insufficient to pay off the debts after liquidating the properties and preparing the balance sheet and list of properties, the liquidators shall apply to the People's Court to declare bankruptcy of the Company.

After the People's Court accepts the application for bankruptcy, the liquidation team shall hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

Article 215 Following the completion of the liquidation, the liquidation report shall be prepared by the liquidators, be submitted to the Shareholders' Meeting or the People's Court for confirmation and be submitted to the company registrar to apply for cancellation.

Article 216 The members of the liquidation team shall fulfill their obligations of liquidation and bear duties of loyalty and diligence.

Members of liquidation team shall bear the liability for damages suffered by the Company due to their negligence in performing the obligations of liquidation; members of liquidation team shall be responsible for the compensation should their deliberately misconduct or major negligence cause losses to the company or its creditors.

Where the Company is declared insolvent in accordance with laws, it shall implement insolvency liquidation in accordance with the relevant laws relating to insolvency of an enterprise.

Chapter 18 Amendment of Articles

Article 217 The Company shall make amendments to the Articles of Association on the occurrence of any of the following events:

(1) the Company Law or the relevant laws or administrative regulations are amended and the provisions stipulated in these Articles of Association are contradictory to amended laws and

regulations.

(2) Any change of the Company's conditions creating inconsistency with what is stated in the Articles of Association;

(3) the Shareholders' Meeting decide to make amendments to the Articles of Association.

Article 218 The amendments to the Articles of Association adopted by the Shareholders' Meeting which are subject to the approval of the competent authority shall be submitted to the competent authority for approval. If it involves company registration affairs, the Company shall register the amendment according to law.

Article 219 The Board of Directors shall amend these Articles of Association according to the resolution of amendment made by the Shareholders' Meeting and to the opinions and suggestions of the competent authority. Approval thereof issued by the relevant authority. In the event that the amendments to the Articles concern disclosable information in accordance with the laws and regulations, they shall be announced to the public as required.

Chapter 19 Miscellaneous

Article 220 The term "senior management members" referred to herein shall refer to the general manager, deputy general manager, financial controller or Secretary to the Board. The "President", "Vice President" and "Person in charge of Finance" referred to herein shall just be the President", "Vice President" and "Person in charge of Finance" referred to in the Company Law.

Article 221 Unless specifically stated otherwise, the "controlling Shareholder" in these Articles of Association refers to the Shareholder who holds more than 50% of the total Share capital of the Company, or any other Shareholder enjoying resolution voting rights sufficient to exert a major impact on resolutions of the Shareholders' Meeting, even if the proportion of the Shares he/she holds is not more than 50% of the total.

The term "concerted action" described under these Articles of Association refers to an action in which two or more than two persons reach an agreement (whether oral or written) whereby they obtain voting rights in the Company enabling one of them to achieve or consolidate the goal of controlling the Company.

The "actual controller" stated herein means a natural person, legal person or other organization who can actually control the actions of the Company through investment relationships, agreements or any other arrangements.

The "connected relationships" used in these Articles of Association refers to the relationship of the controlling Shareholders, actual controllers, Directors and senior management members of the

Company with any other enterprise under their direct or indirect control and any other relationship liable to lead to the transfer of the Company's interest. However, the enterprises controlled by the State do not have connections with each other based on the fact that their Shares are in each case controlled by the state.

Article 222 Any matters not dealt with under these Articles of Association shall be treated in the light of the actual situation of the company pursuant to laws, regulations and listing rules of the region where the Company Shares are listed. If these Articles of Association conflict with the newly enacted laws and regulations or the listing rules of the region where the Company is listed, the latter shall prevail.

Article 223 These Articles of association shall be written in Chinese. If there is any discrepancy between these Articles of Association and those in any other languages or any other edition, the Chinese edition of these Articles of Association most recently approved and registered with the company registration administration shall prevail.

Article 224 Unless otherwise specified herein, the figure itself shall be included if these Articles of Association refer to any such words as "above", "within"; the figure itself shall not be included if these Articles of Association refer to any such words as "beyond", "other than", "lower than", "less than", "insufficient", "more than" or "exceed".

Article 225 The Articles of Association shall take effect upon consideration and approval by the Shareholders' meeting of the Company.

Article 226 The Board of Directors of the Company preserves the right of interpretation of the Articles of Association.