

DOWELL SERVICE GROUP CO. LIMITED

Articles

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CHAPTER 1 GENERAL PROVISIONS

Article 1 To safeguard the legitimate rights and interests of Dowell Service Group Co., Limited (the “Company”), its shareholders and creditors, and to regulate the organization and activities of the Company, the Articles of Association are hereby formulated, in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the “Trial Measures”), the Letter of Opinion on Amendment to Articles of Association of Companies Listing in Hong Kong (SFC Letter [1995] No. 1, the “SFC Letter”), the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to Overseas Listed Companies (State Letter [2019] No.97, the “Reply of the Adjustment of the Notice Period”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and the provisions of other relevant laws and regulations.

Article 2 On 13 January 2015, the Company was incorporated and established in Chongqing, and changed into the limited company from Chongqing Dowell Chengfang Industrial Co., Ltd. (重慶東原澄方實業有限公司) abiding by the laws, obtaining the Business License for share company on 17 December 2020, with Unified Social Credit Code: 915001083277675025.

The promoters of the Company are: Tianjin Shengyihe Management Consulting Partnership Enterprise (Limited Partnership) (天津盛益合企業管理諮詢合夥企業(有限合夥)), Tianjin Chengfang Corporate Management Consultant Company Limited (天津澄方企業管理諮詢有限公司), Kingdom Vast Limited (栢天有限公司) and Harvest Property Management Investment Limited (嘉實物業管理投資有限公司).

Article 3 Registered Chinese name of the Company: 東原仁知城市運營服務集團股份有限公司

Name of the Group: Dowell Service Group (東原仁知城市運營服務集團).

Registered English name of the Company: DOWELL SERVICE GROUP CO.LIMITED

Article 4 Domicile of the Company: Room 206, B1/F, No. 108 Baihe Road, Nanping Town, Nan’an District, Chongqing.

Article 5 The registered capital of the Company is RMB66,990,867.

Article 6 The Company is a joint stock company with limited liability which exists in perpetuity.

Article 7 The legal representative of the Company is the general manager (chief executive officer) of the Company.

Article 8 The Company is an independent corporate legal person, has independent corporate property, and enjoys corporate property rights. The total capital of the Company is divided into shares of equal value. The shareholders shall be liable to the Company with the shares it subscribes, and the Company shall be responsible for its debts with all its assets.

Article 9 The Articles of Association shall become effective after the consideration and approval of the Company's general meeting, from the date of trading of H Shares issued by the Company on the Hong Kong Stock Exchange. From the date when the Articles of Association become effective, the original Articles of Association of the Company will automatically become invalid. The Articles of Association shall be a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and the shareholders and among the shareholders from the date when the Articles of Association become effective.

Article 10 The Articles of Association shall be binding on the Company and its shareholders, directors, supervisors and senior management. All the above persons may assert claims in connection with the Company's matters in accordance with the Articles of Association.

Article 11 In accordance with the Articles of Association, shareholders may sue the Company; the Company may sue shareholders, shareholders may sue other shareholders; shareholders may sue the directors, supervisors, general manager and other senior management of the Company.

Article 12 The term "sue" in the preceding paragraph shall include the initiation of proceedings in a court or the application of arbitration to an arbitration organization.

Article 13 The term senior management in the Articles of Association shall include the Company's general manager (chief executive officers), co-chief executive officer, chief financial officer (financier controller), board secretary (company secretary) and other senior management recognized by the board of directors.

Article 14 The Company may invest in other limited liability companies or companies limited by shares, and shall be responsible for the invested companies to the extent of its amount of investment. Unless otherwise specified by laws, the Company shall not be as an investor jointly and severally liable for the debts of the invested companies.

CHAPTER 2 BUSINESS OBJECTIVES AND SCOPE

Article 15 The business objectives of the Company: With the service concept of "every moment for peace of mind" and the development strategy of "Big Property • Full Value", focusing on the needs of people and cities in their whole life cycle, and with the customer satisfaction as the core, the Company keeps upgrading service quality and is committed to becoming a respected urban renewal service provider with distinctive business.

Article 16: Upon registration according to law, the scope of business of the Company includes:

Occupational agency activities(for items required to be approved by laws, operation may be conducted only with the approval of relevant departments, and specific licensed items should be determined by approval documentations or licenses issued by relevant departments), catering service, food operation, tobacco products retail, installment, modification and repair of special equipment, municipal solid waste treatment services; property management, corporation management, car parking lot management, catering management, housekeeping service, landscaping engineering, anti-theft intelligent system design, installation and commissioning services, hotel management, housing leasing services, housing agency, real estate brokerage, maintenance and repair management of municipal facilities, conference and exhibition services, engineering management services, energy-saving management services, archive arrangement service, hospital management, nursing facility service (exclusive medical service), general equipment repair, professional cleaning, washing, disinfection services, septic tank cleaning, fitness and leisure activities, environmental sanitation and public facilities installation services, business planning consulting, corporate marketing planning, graphic design, advertising production, advertising design, agency, marketing planning, consulting and planning services, intelligent infrastructure equipment manufacturing, network and information security software development, information system operation and maintenance services, information system integration services, computer system services, computer and office equipment maintenance, information technology consulting services; computer software and hardware, electronic products, communication equipment development, technical service, technology development, technical consultation, technical exchange, technology transfer, technology promotion (excluding licensed information consulting services); IoT technology research and development, IoT application services, IoT technology services, environmental protection monitoring, indoor air pollution control, entrepreneurial space services, information consulting services (excluding licensed information consulting services), residents' daily life services, public utilities management services, environmental protection consulting services, urban greening management, building cleaning services, residential water and electricity installation and maintenance services, mechanical equipment leasing, fire-fighting equipment sales, security equipment sales, home audio-visual equipment sales, gift and flower sales, daily necessities sales, logistics management services.

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

Article 17 The Company may adjust its scope and model of business in due course and establish branches and offices at home and abroad in light of domestic and international market trend and its own development capacity and business needs in accordance with the provisions of relevant laws and regulations.

CHAPTER 3 SHARES AND REGISTERED CAPITAL

Article 18 All the shares issued by the Company are ordinary shares. The Company may create other classes of shares according to its needs, upon approval by the authorities that are authorised by the State Council.

Article 19 The Company's shares shall be in the form of share certificates.

Article 20 The shares of the Company shall be issued in accordance with the principles of openness, equitability and fairness. Each share of the same class shall carry the same rights. Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares it/he/she subscribes for.

Article 21 All the shares issued by the Company shall have a par value; with par values stated in RMB and its par value shall be RMB1 for each share.

Article 22 Subject to the approval of the State Council's securities authority or registration with department that are authorised by the State Council, the Company may issue shares to domestic investors and foreign investors. "Foreign investors" as referred to in the preceding paragraph mean those investors who subscribe for the shares of the Company and are located in foreign countries and in Hong Kong, Macao and Taiwan. "Domestic investors" mean those investors who subscribe for the shares of the Company and are located within the territory of the People's Republic of China excluding the regions mentioned above.

Article 23 Shares issued by the Company in RMB to domestic investors and other qualified investors for subscription shall be referred to as domestic shares. Shares issued by the Company in foreign currency to foreign investors for subscription shall be called foreign shares. Foreign shares which are listed overseas shall be called overseas listed foreign shares.

Article 24 The Company issued a total of 50,000,000 ordinary shares to its promoters upon the overall conversion into a joint stock company with limited liability. The number of shares subscribed by the promoters, method of shareholding and way of capital contributions are as follows:

Names of Promoters	Number of Shares subscribed (0'000)	Shareholding Proportion (%)	Way of capital contribution
Tianjin Shengyihe Management Consulting Partnership Enterprise (Limited Partnership)	499.00	9.98	By conversion of net assets into shares
Tianjin Chengfang Corporate Management Consultant Company Limited	2,552.00	51.04	By conversion of net assets into shares
Kingdom Vast Limited	1,270.50	25.41	By conversion of net assets into shares
Harvest Property Management Investment Limited	678.50	13.57	By conversion of net assets into shares
Total	5,000.00	100.00	—

Article 25 Prior to the initial public offering of overseas listed foreign shares, the registered capital of the Company was RMB50,000,000 and the total number of shares was 50,000,000, all of which are ordinary shares.

Upon the completion of the initial public offering of overseas listed foreign shares, and partial exercise of Over-allotment Option, the total registered capital of the Company is RMB66,990,867 and the total number of shares is 66,990,867. The share capital structure of the Company includes: 66,990,867 ordinary shares, 50,000,000 and 16,990,867 shares of which are respectively held by the promoters and H shareholders.

Upon completion of the Company's H full circulation (i.e. the domestic unlisted shares of the H-share company (including unlisted domestic shares held by domestic shareholders before overseas listing, unlisted domestic shares additionally issued domestically after overseas listing, and unlisted shares held by foreign shareholders) After the shares are listed and circulated on the Stock Exchange), the Company's share capital structure is: H share shareholders hold 66,990,867 shares.

Article 26 After the Company's plan for the offering of domestic shares and overseas listed foreign shares has been approved by the State Council's securities authority, the board of directors of the Company may arrange for implementation of such plan by means of separate offerings.

Article 27 The Company's plans for the offerings of domestic shares and overseas listed foreign shares in accordance with the preceding paragraph may be implemented separately within 15 months from the date of approval by the State Council's securities authority.

Article 28 If the Company offers domestic shares and overseas listed foreign shares separately within the total number of shares specified in the offering plan, each offering shall be fully subscribed for in one time. If special circumstances make it impossible for each offering to be fully subscribed for in one time, the shares may be offered in separate offerings, subject to the approval of the State Council's securities authority.

Article 29 Save as otherwise provided in laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange where the shares of the Company are listed, shares in the Company may be transferred freely and shall be clear of any lien. The transfer of overseas listed foreign shares listed in Hong Kong shall be registered with the local share registrar appointed by the Company.

Article 30 The shares of the Company held by the promoters shall not be transferred within one year from the date of establishment of the Company. Shares in issue prior to the public offering of the Company shall not be transferred within one year from the date of their listing on any stock exchange.

Article 31 The directors, supervisors and senior management members of the Company shall report to the Company the shares of the Company that they hold and the changes in their shareholdings. During his or her term of service, he or she may not transfer more than 25 percent of his or her total holding of the Company's same class of shares each year. Any of them may not transfer the Company's shares he or she holds within six months after his or her departure from the Company.

CHAPTER 4 INCREASE AND REDUCTION OF CAPITAL AND BUYBACK OF SHARES

Article 32 Based on its business and development, the Company may increase its capital in accordance with laws and regulations upon resolution passed by shareholders at a general meeting:

- (I) public offering of shares;
- (II) private placement of shares;
- (III) allotment of new shares to existing shareholders;
- (IV) allotment of bonus shares to existing shareholders;
- (V) conversion of capital reserve to share capital;
- (VI) other methods permitted by laws and administrative regulations and approved by relevant regulatory authorities.

If the Company is to increase its capital by an offering of new shares, it shall do so by the procedure provided for in relevant laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange where the shares of the Company are listed after such increase has been approved in accordance with the articles of association.

Article 33 The Company may reduce its registered capital. If the Company reduces its registered capital, it shall do so by the procedures set forth in the Company Law and other relevant provisions and the Articles of Association.

Article 34 If the Company is to reduce its registered capital, it must prepare a balance sheet and a list of its property.

Article 35 The Company shall notify its creditors within 10 days from the date of adoption of the resolution to reduce its registered capital and publish a public announcement of the resolution in newspapers within 30 days and post the same on its website and the website of the relevant stock exchange in accordance with the requirements of the place where the Company's shares are listed. Creditors shall, within 30 days of receiving written notice, or within 45 days of the date of the public announcement for those who have not received written notice, be entitled to require the Company to pay its debts in full or to provide a corresponding security for repayment.

Article 36 The Company may, in the following circumstances, buy back its own shares by the procedures provided for in laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange where the shares of the Company are listed and the Articles of Association:

- (I) to reduce the capital of the Company;
- (II) to merge with other companies that hold shares in the Company;
- (III) to use the shares for employee shareholding schemes or as share incentives;
- (IV) to acquire the shares of shareholders (upon their request) who vote against to any resolution adopted at any general meetings on the merger or division of the Company;
- (V) to use the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the listed company;
- (VI) to safeguard corporate value and shareholders' equity as the listed company deems necessary;
- (VII) other methods permitted by laws and administrative regulations.

Where the Company purchases its own shares due to the reasons in items (I) to (II) of the preceding paragraph, a resolution shall be adopted at a general meeting in this regard. Where the Company purchases its own shares due to the circumstances specified in items (III), (V) and (VI) of the preceding paragraph, a resolution shall be adopted at a meeting of the board of directors attended by more than two-thirds of the directors in this regard.

Save as otherwise provided by relevant laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange where the shares of the Company are listed, if the Company purchases its own shares in accordance with the provisions of paragraph 1 of this article, the shares shall be cancelled within 10 days from the date of acquisition in case of item (I); or transferred or cancelled within six months in case of items (II) and (IV); or in case of items (III), (V) and (VI), the total number of shares held by the Company shall not exceed 10 percent of its total issued shares, and such shares shall be transferred or cancelled within three years. Except for the aforementioned circumstances, the Company does not engage in trading activities of the Company's shares.

Article 37 The Company may elect to buy back its own shares by any of the following methods upon approval by competent national authorities of the buy back:

- (I) buyback through open transactions on a stock exchange;
- (II) issuance to all of the shareholders of a buyback offer on a pro rata basis;

(III) buyback by agreements outside a stock exchange; or

(IV) other methods approved in laws, administrative regulations or by the examination and approval by competent authority.

Article 38 If the Company is to buy back shares by agreements outside a stock exchange, prior approval shall be obtained from the general meeting in accordance with the Articles of Association. Upon prior approval by the general meeting obtained in the same manner, the Company may terminate or vary a contract concluded in the manner set forth above or waive any of its rights under such contract.

For the purposes of the preceding paragraph, “contracts for the buyback of shares” shall include but not be limited to agreements whereby buyback obligations are undertaken and buyback rights are acquired.

The Company may not transfer a contract for the buyback of its own shares or any of its rights thereunder.

With respect to redeemable shares which the Company has the right to buy back, if the buyback is to be made in a manner other than through the market or by tender, the buyback price must be limited to a maximum price; if the buyback is to be made by tender, tenders shall be available to all shareholders alike.

Article 39 Unless the Company has already entered the liquidation stage, it must comply with the following provisions in buying back its outstanding shares:

- (I) if the Company buys back shares at their par value, the amount thereof shall be deducted from the book balance of distributable profit of the Company and/or from the proceeds of the new shares offer made to repurchase the old shares;
- (II) if the Company buys back shares at a price higher than their par value, the portion corresponding to their par value shall be deducted from the book balance of distributable profit of the Company and/or from the proceeds of the new shares offer made to repurchase the old shares; and the portion in excess of the par value shall be handled according to the following methods:
 - 1. if the shares being bought back were issued at their par value, the amount shall be deducted from the book balance of distributable profit of the Company;
 - 2. if the shares being bought back were issued at a price higher than their par value, the amount shall be deducted from the book balance of distributable profit of the Company and/or the proceeds of the new share offer made to repurchase the old shares, provided that the amount paid out of the proceeds of the new share offer shall not exceed the aggregate of the premiums received on the issue of the old shares repurchased nor shall it exceed the amount in the Company’s premium account (or capital reserve account) (including the premiums from the new share offer) at the time of the buyback;

(III) the Company shall make payments for the following applications out of the Company's distributable profits:

1. acquisition of the right to buy back its own shares;
2. modification of any contract for the buyback of its shares;
3. release from any of its obligations under a buyback contract.

(IV) after the Company's registered capital has been reduced by the aggregate par value of the cancelled shares in accordance with relevant regulations, the amount deducted from the distributable profit for payment of the par value of the repurchased shares shall be credited to the Company's capital reserve account.

Where laws, administrative regulations and relevant provisions of the securities regulatory authority in the place where the Company's shares are listed have otherwise provisions on the financial treatment involved in the aforesaid share buyback, such provisions shall prevail.

CHAPTER 5 FINANCIAL ASSISTANCE FOR THE PURCHASE OF SHARES OF THE COMPANY

Article 40 Neither the Company nor its subsidiaries shall at any time provide any financial assistance in any form to purchasers or prospective purchasers of shares of the Company. Purchasers of shares of the Company as referred to above shall include persons that directly or indirectly assume obligations as a result of purchasing shares of the Company.

Neither the Company nor its subsidiaries shall at any time provide any financial assistance in any form to the above obligors in order to reduce or release them from their obligations.

The provisions of this article shall not apply to the circumstances described in Article 42 of this Chapter.

Article 41 For the purposes of this Chapter, the term "financial assistance" shall include but not be limited to financial assistance in the forms set forth below:

- (I) gift;
- (II) security (including the assumption of liability or the provision of property by the guarantor to secure the performance of obligations by the obligor), indemnity (not including, however, indemnity arising from the Company's own fault), release or waiver of any rights;

- (III) provision of a loan or conclusion of a contract under which the obligations of the Company are to be fulfilled before the fulfillment of obligations of the other party to the contract, or a change in the parties to, or the assignment of rights under, such loan or contract; and
- (IV) any other form of financial assistance given by the Company when the Company is insolvent or has no net asset or when its net assets would thereby be reduced to a material extent.

Article 42 The acts listed below shall not be regarded as acts prohibited under Article 40 of this Chapter:

- (I) the provision of financial assistance by the Company where the financial assistance is provided in good faith in the interests of the Company and the principal purpose of which is not for the acquisition of shares in the Company, or where the provision of financial assistance is an incidental part of certain overall plan of the Company;
- (II) the lawful distribution of the Company's properties by way of dividends;
- (III) the allotment of bonus shares as dividends;
- (IV) a reduction of registered capital, buyback of shares or adjustment of the share capital structure effected in accordance with the Articles of Association;
- (V) the provision by the Company of a loan within its scope of operation and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of its distributable profit); and
- (VI) the monetary contribution by the Company to the employee shareholding schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of its distributable profit).

CHAPTER 6 SHARE CERTIFICATES AND REGISTER OF MEMBERS

Article 43 The share certificates of the Company shall be in registered form.

In addition to those provided in Company Law, a share certificate of the Company shall also contain any other items required to be specified by the Stock Exchange.

Where the share capital of the Company includes shares that do not carry voting rights, the words "non-voting" must appear on the name of such shares. Where the share capital includes shares with different voting rights, the name of each class of shares, other than those with the most favorable voting rights, must include the words "restricted voting" or "limited voting".

The H Shares issued by the Company may take the form of overseas depositary receipts or other derivative forms of shares pursuant to the laws in Hong Kong, requirements of the Hong Kong Stock Exchange or practices for registration and deposit of securities.

Article 44 During the period when H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure all securities listing documents, listing on the Hong Kong Stock Exchange contain the below declarations and shall also instruct and procure its share registrar not to register the subscription, purchase or transfer of any of its shares in the name of any particular holder unless and until such particular holder delivers to such share registrar a signed form for such shares containing the declarations below:

- (I) The subscriber of shares agrees with the Company and its shareholders, and the Company agrees with each shareholder, to observe and comply with the requirements of laws and regulations such as the Company Law and the requirements under the Articles of Association.
- (II) The subscriber of shares agrees with the Company and its shareholders, directors, supervisors, the general manager and other senior management, and the Company (for itself and on behalf of its directors, supervisors, the general manager and other senior management) agrees with its shareholders to refer all disputes and claims arising from the Articles of Association or any right or obligation conferred or imposed by the Company Law or other relevant laws, administrative regulations concerning the affairs of the Company to arbitration in accordance with the Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such arbitration shall be final and conclusive.
- (III) The subscriber of shares agrees with the Company and its shareholders that shares of the Company are freely transferable, donated, inherited and pledged by the holder thereof in accordance with the relevant laws, administrative regulations, departmental rules and the Articles of Association.
- (IV) The subscriber of shares authorizes the Company to enter into a contract on his behalf with each director and senior management whereby such director and senior management undertake to observe and perform with their obligations to shareholders stipulated in the Articles of Association.

Article 45 The share certificates shall be signed by the chairman of the board of directors. Where the signatures of other members of the senior management of the Company are required by the stock exchange on which the shares of the Company are listed, the share certificates shall also be signed by such other relevant senior management. The share certificates shall take effect after the Company seal is affixed thereto or printed thereon. The share certificates shall only be affixed with the Company's seal under the authorization of the board of directors. The signatures of the chairman of the board of directors of the Company or other relevant senior management on the share certificates may also be in printed form.

Under the condition that the Shares of the Company are issued and traded without paper, the applicable provisions of the securities regulatory authority and stock exchanges where the Company's shares are listed shall apply separately.

Article 46 The Company shall keep a register of members, which shall contain the following particulars:

- (I) the name, address (domicile), occupation or nature of each shareholder;
- (II) the class and number of shares held by each shareholder;
- (III) the amount paid or payable in respect of shares held by each shareholder;
- (IV) the serial numbers of the shares held by each shareholder;
- (V) the date on which a person registers as a shareholder;
- (VI) the date on which a person ceases to be a shareholder.

The register of members shall be the sufficient evidence for the shareholders' shareholding in the Company, except in cases with contrary evidence.

Subject to compliance with the Articles of Association and other applicable requirements and upon transfer of the Company's shares, the transferees of the shares will become the holders of such shares with their names being entered in the register of members.

The transfer or assignment of stocks must be registered in the domestic or foreign stock ownership transfer registry authorized by the Company, and shall be recorded in the register of members.

Article 47 The Company may, in accordance with the mutual understanding and agreements made between the State Council's securities regulatory authority and overseas securities regulatory authorities, keep its register of holders of overseas listed foreign shares outside of the PRC and appoint overseas agent(s) to manage such register. The original register of holders of H shares shall be maintained in Hong Kong.

The Company shall maintain a duplicate of the register of holders of overseas listed foreign shares at its place of domicile. The appointed overseas agent(s) shall ensure consistency between the original version and the duplicate register of holders of overseas listed foreign shares at all times.

If there is any inconsistency between the original and the duplicate register of holders of overseas listed foreign shares, the original version shall prevail.

Article 48 The Company shall maintain a complete register of members. The register of members shall include the following parts:

- (I) the register of members which is maintained at the Company's place of domicile (other than those share registers which are described in paragraphs (II) and (III) of this article);
- (II) the register of members in respect of the holders of overseas listed foreign shares of the Company which is maintained at the place where the overseas stock exchange on which the shares are listed is located;
- (III) the register of members which is maintained in such other place as the board of directors may consider necessary for the purpose of listing of the Company's shares.

Article 49 Different parts of the register of members shall not overlap one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of members.

Alteration or rectification of each part of the register of members shall be made in accordance with the laws of the place where that part of the register of members is maintained.

Article 50 All overseas listed foreign shares for which the share capital has been paid in full may be transferred freely in accordance with the Articles of Association. The board of directors may refuse to recognize any instrument of transfer without giving any reason unless such transfer is carried out in compliance with the following conditions:

- (I) payment of HK\$2.50 per instrument of transfer or the charge as agreed at such time by the Hong Kong Stock Exchange has been made to the Company for the purpose of registering the instrument of transfer and other documents relating to or which may affect the title to the shares;
- (II) the instrument of transfer only involves overseas listed foreign shares listed in Hong Kong;
- (III) the stamp duty payable on the instrument of transfer as required by Hong Kong laws has been paid;
- (IV) relevant share certificates and evidence that the transferor has the right to transfer such shares as reasonably required by the board of directors have been provided;
- (V) if the shares are to be transferred to joint holders, the number of registered joint holders may not exceed four; and
- (VI) the relevant shares are not encumbered by any company lien.

All transfers of overseas listed foreign shares shall be effective with a written instrument of transfer in general or ordinary format or such other format as acceptable to the board of directors, including standard transfer format or transfer form as stipulated by Hong Kong Stock Exchange from time to time. If the transferor or transferee of the Company's shares is a recognized clearing house as defined by relevant ordinances of Hong Kong laws in force from time to time (a "Recognized Clearing House") or an agent thereof, the signature on the written instrument of transfer may be signed by hand or in mechanically-printed form. All instruments of transfer must be kept at the legal address of the Company or other place as may be designated by the board of directors from time to time.

Article 51 Laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange where the shares of the Company are listed on the period of suspension of share registration and transfers before the convening of the shareholders' meeting or the benchmark date, on which the company decides to distribute dividends, shall prevail.

Article 52 Any person who challenges the register of members and requests to have his/her name included in or removed from the register of members may apply to the court having jurisdiction for rectification of the register of members.

Article 53 Any shareholder who is registered in, or any person who requests to have his name entered in, the register of members may (if his share certificate (the "original share certificate") is lost) apply to the Company for replacement of the share certificate in respect of such shares (the "relevant shares").

If a holder of the domestic shares and loses his share certificate and applies for replacement, it shall be dealt with in accordance with the requirements prescribed in article 143 of the Company Law.

If a holder of overseas listed foreign shares loses his share certificate and applies for replacement, it may be dealt with in accordance with relevant laws, regulations, rules of the stock exchange or other relevant regulations of the place where the original register of members of overseas listed foreign shares is maintained.

Any replacement of share certificates to any shareholders of H Shares who have lost their share certificates and applied for replacement shall comply with the following requirements:

- (I) the applicant shall submit an application to the Company in prescribed form accompanied by a notarial certificate or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as statement that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares.
- (II) before the Company decides to reissue new share certificate, it does not receive a declaration on requiring being registered as a shareholder of the shares from anyone except the applicant.

- (III) before the Company decides to reissue new share certificate to the applicant, it shall publish an announcement on intention for reissuance of new share certificate on the newspapers and periodicals designated by the board of directors; the period of announcement is 90 days, and the announcement shall be republished at least once every 30 days.
- (IV) before the Company publishes an announcement on intention for reissuance of new share certificate, it shall submit a duplicate of the announcement to be published to the stock exchange where it is listed. After receiving the reply of the stock exchange and confirming that the announcement has been displayed in the stock exchange, the Company may publish the announcement. The period of display of the announcement in the stock exchange is ninety days.
- (V) If the application for stock reissuance is not agreed by the registered shareholders of relevant shares, the Company shall mail the photocopies of the announcement to be published to the shareholders.
- (VI) after the ninety-day period of announcement and display specified in items (III) and (IV) of this article expires, if the Company does not receive objection to stock reissuance from anybody, it may reissue new share certificate according to the application of the applicant.
- (VII) when the Company reissues new share certificate according to the provisions of this article, it shall immediately cancel the original share certificate and register the cancellation and reissuance in the register of members.
- (VIII) the applicant shall bear all the expenses of the Company on cancellation of original share certificate and reissuance of new share certificate. Before the applicant provides reasonable guarantee, the Company shall have the right to refuse to take any action.

Article 54 Where the Company issues a replacement certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforesaid replacement certificate or a shareholder who thereafter registers as the owner of such shares (in the case where he or she is a bona fide purchaser) shall not be removed from the register of members.

Article 55 The Company shall not be liable to any person for any damages caused by the cancellation of the original share certificate or the issuance of the replacement certificate, unless the claimant is able to prove that the Company has acted fraudulently.

In relation to the exercise of right to issue warrants to bearer, no new warrant shall be issued to replace one that has been lost unless the Company is satisfied beyond a reasonable doubt that the original warrant has been destroyed.

CHAPTER 7 RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

Article 56 A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is recorded in the register of members. A shareholder shall enjoy relevant rights and assume relevant obligations in accordance with the class and number of shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Article 57 Where the Company convenes a general meeting, distributes dividends, liquidates or carries out other activities that require the determination of identity of shareholders, the board of directors or a convener of the general meeting shall set a record date for determination of shareholding, and such date shall not be more than seven business days from the date of convening the general meeting. The shareholders who are registered after the market closes on the record date are the shareholders who enjoy the relevant rights and interests.

Article 58 Holders of ordinary shares of the Company shall have the following rights:

- (1) The right to receive dividends and other distributions in proportion to the number of shares held;
- (2) The right to request, convene, preside over, attend and vote in person or appoint a proxy to attend and vote correspondingly on their behalf at general meetings in accordance with the laws;
- (3) The right to supervise the Company's operations, and to put forward proposals or raise enquiries;
- (4) The right to transfer, donate or pledge the shares held in accordance with the laws, administrative regulations and the listing rules of the stock exchange where the Company's shares are listed and the provisions of the Articles of Association;
- (5) The right to obtain the relevant information in accordance with the Articles of Association, including:
 1. A copy of the Articles of Association upon payment of a reasonable fee;
 2. The right to inspect and copy upon payment of a reasonable fee;
 - 1) The complete register of members;
 - 2) Personal particulars of directors, supervisors, general manager and other senior management of the Company, including (a) present and former name and alias; (b) principal address (place of residence); (c) nationality; (d) full-time jobs and all other part-time jobs and positions; (e) identification documents and the numbers thereof;
 - 3) The status of the Company's share capital;

- 4) Reports showing the aggregate par value, quantity, highest and lowest prices paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount paid by the Company for this purpose (with a breakdown between domestic shares and foreign shares);
- 5) Counterfoils of corporate bonds;
- 6) Minutes of general meetings (for inspection by shareholders), resolutions of the board meetings, and the resolutions of the meetings of the board of Supervisors;
- 7) Financial report;
- 8) A copy of the latest annual report filed with the competent administration for industry and commerce or other competent authorities;

The Company shall make the foregoing documents available for inspection by shareholders at its domicile and at its place of business in Hong Kong.

- (6) In the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in proportion to the number of shares held;
- (7) With respect to shareholders who voted against any resolution adopted at a general meeting on the merger or division of the Company, the right to demand the Company to acquire the shares held by them;
- (8) Shareholders individually or jointly holding more than 3% of the Company's shares is entitled to make a provisional motion in writing to the convenor ten days before the date of the general meeting;
- (9) Any other rights prescribed by laws, administrative regulations, departmental rules, regulatory documents and the listing rules in the place where the Company's shares are listed or the articles of association.

No powers shall be taken to freeze or otherwise impair any of the rights attaching to any shares by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

Article 59 If a shareholder asks to review the information mentioned in the preceding Article or makes a request for information, he or she shall submit to the Company written documents evidencing the class and number of shares he or she holds. The Company shall provide the same as requested by the shareholder after authenticating his or her identity.

Article 60 If any resolution of the general meeting or the board of directors of the Company violates the laws or administrative regulations, the shareholders shall have the right to request the people's court to invalidate the resolution. If the convening procedure or voting method of the general meetings or meetings of the board of directors violates the laws, administrative regulations or the Articles of Association, or if the contents of a resolution contravene the articles of association, the shareholders shall have the right to request the people's court to rescind such resolution within sixty days after passing the resolution.

Article 61 Shareholders individually or jointly holding 1% or more of the Company's shares for 180 consecutive days or more shall have the right to request the board of Supervisors in writing to bring a legal action in the People's Court against any director or senior management for loss of Company resulting from their violation of any laws, administrative regulations or provisions of the Articles of Association in the course of performing their duties; shareholders may request the board of directors in writing to bring a legal action against the board of Supervisors for the loss of the Company resulting from their violation of any laws, administrative regulations or provisions of the Articles of Association in the course of performing the duties.

The shareholders described in the preceding paragraph may bring legal action in the People's Court directly in their own names in the interest of the Company in the event that the board of Supervisors or the board of directors refuses to initiate legal proceedings after receiving the aforesaid written request of shareholders, or fails to initiate such legal proceedings within 30 days on which such request is received, or in case of emergency where failure to initiate such legal proceedings immediately will result in irreparable damage to the Company's interest.

Shareholders as referred to in the first paragraph of this article may also initiate legal proceedings in the People's Court under the provisions set out in the preceding two paragraphs if any third parties infringe on the lawful interests of the Company which caused damage to the Company.

Article 62 Shareholders may initiate legal proceedings against any director or senior management for violation of any laws, administrative regulations or the provisions of the Articles of Association which has damaged the interests of shareholders.

Article 63 Holders of ordinary shares of the Company shall assume the following obligations:

- (1) To abide by laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company's shares are listed and the Articles of Association;
- (2) To pay subscription monies according to the number of shares subscribed and the method of subscription;
- (3) Not to surrender the shares unless required by laws or regulations;

- (4) Not to abuse the shareholders' rights to prejudice the interests of the Company or other shareholders; not to abuse the status of the Company as an independent legal person or the limited liability of the shareholders to prejudice the interests of any creditors of the Company; Where any shareholder of the Company abuses the shareholders' rights and incurs losses to the Company or other shareholders, such shareholder shall be liable for the damages according to the law; Where shareholders of the Company abuse the Company's status as an independent legal person and the limited liability of the shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company;
- (5) Other obligations imposed by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the place where the Company's shares are listed and the Articles of Association.
- (6) Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.

Article 64 Where a shareholder holding 5% or more of voting shares of the Company pledges any shares in his possession, he shall report the same to the Company in writing on the day on which he pledges his shares.

Article 65 In addition to the obligations imposed by the laws and the listing rules of the Hong Kong Stock Exchange, a controlling shareholder, when exercising the shareholders' rights, shall not exercise his or her voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the shareholders:

- (1) To relieve a director or supervisor of his or her duty to act honestly in the best interests of the Company;
- (2) To approve the directors or supervisors (for their own account or for the account of other parties) to deprive the Company of its assets in any manner, including, but not limited to, any opportunity favorable to the Company;
- (3) To approve the directors or supervisors (for their own account or for the account of other parties) to deprive another shareholder of his or her individual interests, including but not limited to any allocation right and voting right, but excluding any corporate restructuring proposal made at the general meeting in accordance with the Articles of Association.

Article 66 The controlling shareholder(s) and de facto controller(s) of the Company shall not use the connected relations to the detriment of the interests of the Company, and shall not use its controlling status to expropriate the Company's assets; otherwise, they shall be liable for compensation for any loss incurred to the Company.

The controlling shareholder(s) and de facto controller(s) of the Company shall perform fiduciary duty to the Company and general public shareholders thereof. The controlling shareholder(s) shall exercise capital contributors' rights in strict accordance with laws, shall not damage the legitimate rights and interests of the Company and general public shareholders by such means as profit distribution, asset reorganization, external investment, fund appropriation, loan and guarantee and shall not abuse their controlling status to damage the interests of the Company and general public shareholders.

The Company shall not provide the shareholders or de facto controller(s) with funds, commodities, services or other assets gratis or on manifestly unfair terms; shall not provide funds, commodities, services or other assets to the shareholders or de facto controller(s) on manifestly unfair terms; shall not provide funds, commodities, services or other assets to the shareholders or de facto controller(s) who are noticeably unable to make repayment; shall not provide guarantee to the shareholders or de facto controller(s) who are noticeably unable to make repayment or provide guarantee to the shareholders or de facto controller(s) without justifiable reasons; and shall not, without justifiable reasons, relinquish creditor's rights against the shareholders or de facto controller(s) or assume debts of the shareholders or de facto controller(s). Such transactions as provision of funds, commodities, services or other assets between the Company and the controlling shareholder(s) or de facto controller(s) shall be deliberated by the board of directors and the general meeting in strict accordance with the decision-making policies for connected transactions as set out in the articles of association, in order to prevent the controlling shareholder(s) or de facto controller(s) and its subsidiaries to expropriate the Company's assets.

If the Company finds that any of shareholder expropriates the Company's assets, the Company shall understand the reasons, timing and amounts for expropriating assets immediately, and issue a written notice to the shareholders who expropriate the Company's assets for requiring them to resolve within a specified time frame. The Company shall immediately apply for judicial freezing of the equity interest of the Company they held if the shareholders cannot resolve with a specified time frame, the misappropriated assets shall be compensated through realization of equity interests.

The directors, supervisors and members of the senior management of the Company have legal obligations to safeguard the capital of the Company. The Board shall immediately investigate if it finds that the directors and the members of the senior management of the Company assist and connive the controlling shareholders and its subsidiaries to expropriate the Company's assets, after confirmation the facts that the directors and the members of the senior management of the Company assist or connive the controlling shareholders and its subsidiaries to expropriate the Company's assets, the Company shall, depending on the seriousness of the case, give a notice and disciplinary warning to the person directly responsible, and propose to the general meeting to dismiss the directors who are seriously responsible.

CHAPTER 8 GENERAL MEETINGS

Article 67 The general meeting shall be the organ with authority of the Company and shall exercise following functions and powers in accordance with the law.

- (1) To decide the Company's operational directions and investment plans;
- (2) To elect and replace directors and supervisors who are not staff representatives and to determine matters relating to the remuneration of the directors and supervisors;
- (3) To consider and approve the reports of the board of directors;
- (4) To consider and approve the reports of the board of Supervisors;
- (5) To consider and approve the Company's annual financial budgets and final accounts;
- (6) To consider and approve the Company's profit distribution plans and loss recovery plans;
- (7) To make resolutions on increase or reduction of the Company's registered capital;
- (8) To make resolutions on the issue of debentures and other securities by the Company;
- (9) To make resolutions on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- (10) To amend the Articles of Association;
- (11) To make resolutions on the appointment, re-appointment or dismissal of the accounting firms;
- (12) To consider and approve the following external guarantee matters:
 1. the provision of any guarantee where the total amount of the external guarantee by the Company and its subsidiaries exceeds 50% of the latest audited net assets;
 2. the provision of any guarantee where the total amount of the external guarantee by the Company exceeds 30% of the latest audited net assets;
 3. the amount of the guarantee provided by the Company within one year exceeds 30% of the latest audited net assets of the Company;
 4. Provision of guarantee to any guaranteed party with an assets to liabilities ratio exceeding 70%;

5. the provision of any single guarantee in which the amount exceeds 10% of the latest audited net assets; the provision of any single guarantee in which the amount exceeds 10% of the latest audited net assets;
 6. the provision of guarantees to the shareholder(s), controlling shareholder(s) and their related party(ies).
- (13) To consider and approve any sale or purchase of major assets that exceeds 30% of the Company's latest audited total assets within one year;
- (14) To consider equity incentive plans and employee share option scheme;
- (15) To consider and approve the motions put forward by shareholders individually or jointly holding more than 3% of the Company's shares with voting rights;
- (16) To consider other matters which are required to be determined at the general meeting as required by laws, administrative regulations, departmental rules and the Articles of Association.

Article 68 General meetings include annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year and within six months after the end of the preceding fiscal year.

Article 69 The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

- (I) when the number of directors is less than the quorum prescribed by the Company Law or less than two-thirds of the quorum required by the Articles of Association;
- (II) when the unrecovered loss of the Company is higher than one-third of the total paid-up capital;
- (III) when shareholders individually or collectively holding 10% or more of the shares of the Company make a written request;
- (IV) when the Board consider it necessary;
- (V) when the board of Supervisors propose to convene an extraordinary meeting;
- (VI) Other circumstances stipulated by relevant PRC laws, administrative regulations the Listing Rules of the Stock Exchange or the Articles of Association.

Article 70 The place for holding the Company's general meeting shall be the domicile of the Company or other place as indicated in the notice of the general meeting. The general meeting shall be held in the form of on-site meeting. The Company will provide internet services or other methods to help the shareholders to participate in the general meeting. Shareholders shall be deemed to have attended the general meeting by way of the aforesaid methods.

Article 71 The Company shall engage lawyers to attend the general meeting and issue a legal opinion and an announcement on the following issues:

- (I) whether the procedures relating to the convening and the holding of such meeting comply with laws, administrative regulations and the Articles of Association;
- (II) the legality and validity of the qualifications of the attendees and the convenor of the meeting;
- (III) the legality and validity of the voting procedures and voting results;
- (IV) legal opinions issued on other related matters as requested by the Company.

Article 72 The independent non-executive director has the right to propose the Board to convene extraordinary general meeting. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

If the Board agrees to convene the extraordinary general meeting, the notice of convening the extraordinary general meeting shall be issued within five days after a resolution is reached. If the Board does not agree to convene such extraordinary general meeting, reasons shall be explained and announced.

Where the regulatory authorities of the stock exchange where shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 73 The board of Supervisors has the right to propose the Board to convene extraordinary general meeting and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, the listing rules of the stock exchange where the shares of the Company are listed and the Articles of Association.

If the Board agrees to convene the extraordinary general meeting, the notice of convening the extraordinary general meeting shall be issued within five days after a resolution is reached. Should there be alterations to the original requests in the notice, consent has to be obtained from the board of Supervisors. If the Board does not agree to convene the extraordinary general meeting or does not reply within ten days upon receiving the request, the Board will be considered as unable or refused to fulfill the obligation to convene general meetings and the board of Supervisors may convene and preside over the meeting on its own initiative.

Article 74 Shareholder(s) severally or jointly holding more than 10% shares of the Company shall have the right to request the board of directors to hold an extraordinary general meeting, and shall put forward such request to the board of directors in writing. The board of directors shall, pursuant to relevant laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the articles of association, give a written reply on whether or not it agrees to hold such an extraordinary general meeting within 10 days after receipt of the request.

Where the board of directors agrees to hold the extraordinary general meeting, it shall serve a notice of such meeting within 5 days after the resolution is made by the board of directors. Any change to the original request set forth in the notice shall be subject to approval by the relevant shareholders. If the board of directors does not agree to hold the extraordinary general meeting or fails to give a written reply within 10 days after receipt of the request, shareholder(s) severally or jointly holding more than 10% shares of the Company shall be entitled to propose to the board of supervisors to hold an extraordinary general meeting, and shall put forward such request to the board of Supervisors in writing.

If the board of Supervisors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained. If the board of supervisors fails to serve the notice of general meeting within the prescribed period, the shareholder(s) severally or jointly holding more than 10% shares of the Company for more than 90 consecutive days may convene and preside over the meeting by themselves.

Article 75 Where the board of Supervisors or shareholders decide to convene a general meeting by itself/themselves, it/they shall notify the Board in writing and file with the local office of the securities regulatory authority of the State Council in the locality of the Company and with the stock exchange in the place where the stocks of the Company are listed.

Prior to the announcement of the resolution of the general meeting, the shareholding of shareholders who convene the meeting shall not be less than 10%. The board of Supervisors and the convening shareholders shall, upon issuing a notice of general meeting and announcing the resolution thereof, submit the relevant documentation to the local office of the securities regulatory authority of the State Council in the locality of the Company and to the stock exchange in the place where the stocks of the Company are listed.

Article 76 With regard to the general meeting convened by the board of Supervisors or shareholders on its/their own initiative, the board of directors and its secretary shall offer cooperation. The board of directors shall provide a register of members as of the equity registration date. Where the board of directors does not provide a register of members, the convener may apply for obtaining it to the securities registration and clearing institution in the place where the stocks of the Company are listed by providing relevant announcement on convention of a general meeting. The register of members obtained by the convener may not be used for other purposes except convention of a general meeting.

Article 77 If the board of Supervisors or shareholders itself/themselves convene a general meeting, the expenses necessary for the meeting shall be borne by the Company and set off against sums owned by the Company to the defaulting directors.

Article 78 The content of proposals shall fall within the scope of responsibility of the general meeting, shall contain clear subjects for discussion and specific matters to be resolved and shall comply with relevant provisions of the laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the articles of association.

Article 79 When an annual general meeting is convened by the Company, the board of directors, the board of Supervisors and shareholders who individually or collectively hold over 3% of the shares of the Company shall be entitled to put forward proposals to the Company.

Shareholders who individually or collectively hold over 3% of the shares of the Company may submit ad hoc proposals in writing to the convener of the general meeting 10 days before the convening of the general meeting. The convener shall issue a supplemental notice of general meeting within 2 days upon receipt of the proposals and announce the contents of the ad hoc proposals.

Save those specified in the preceding paragraph, the convener shall neither revise the proposals stated in the notice of general meetings nor add new proposals after issuing the announcement on the notice of general meeting.

No voting shall be carried out and no resolution shall be made over the proposals that are not specified in the notice of general meeting or not fulfill the proposal required in Article 78 of the Articles of Association.

Article 80 When the Company is to hold a general meeting, it shall issue a written notice at least 20 business days prior to an annual general meeting or 15 days but no less than 10 business days prior to other general meeting, informing all shareholders of the date, time and place of the meeting and the matters to be considered at the meeting and stating that shareholders may appoint a proxy in writing to attend the meeting and vote on their behalf. Regarding the calculation of the notice period, the date of the meeting shall not be included.

Article 81 A notice of general meeting shall meet the following requirements:

- (I) be given in writing;
- (II) specify the place, the date and the time of the meeting;
- (III) state the matters and motions to be discussed at the meeting;

- (IV) provide such information and explanations as are necessary for the shareholders to exercise a sensible judgment on the proposals. Without limiting the generality of the foregoing, where a proposal is made to amalgamate the Company with another, to repurchase shares, to reorganize the share capital or to restructure the Company in any other way, the terms of the proposed transaction must be provided in detail together with copies of the proposed agreement, if any, and the cause and effect of such proposal must be properly explained;
- (V) contain a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, our general manager other member of senior management in the transaction proposed and the effect of the proposed transaction on them in their capacity as shareholders in so far as it is different from the effect on the interests of the shareholders of the same class;
- (VI) contain the full text of any special resolution proposed to be voted at the meeting;
- (VII) contain conspicuously a statement that all shareholders are entitled to attend the general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that a proxy need not be a shareholder of the Company;
- (VIII) specify the time and place for delivering proxy forms for the relevant meeting;
- (IX) specify the record date for determining the shareholders who are entitled to attend the shareholders' meeting; the period between the record date and the date for the meeting shall not be more than 7 working days. No changes shall be made once the record date is confirmed;
- (X) state the names and telephone numbers of the standing contact persons for the meeting.

If a general meeting is held online or otherwise, the designated time and procedure for voting online or through other means shall be expressly stated in the notice of such meeting.

Any notice and supplementary notice of general meetings shall sufficiently and completely disclose all contents of all motions in full and all such information or explanation as are necessary for the shareholders to make an informed judgment on the matters to be discussed in full. If any matter to be discussed requires opinions of the independent non-executive directors, the opinions and reasons of the independent non-executive directors shall be disclosed together with the issuance of such notice.

Article 82 If the election of directors or supervisors is proposed to be discussed at a general meeting, the notice of such meeting shall adequately disclose the detailed information of the candidates for directors or supervisors, which information shall at least include:

- (I) personal particulars, including educational background, work experience, and part-time jobs;
- (II) whether one has any connected relations with the Company, its controlling shareholders and de facto controllers;

- (III) the number of shares of the Company one holds;
- (IV) whether one has been punished by the securities regulatory authority of the State Council or any other relevant authority or the reprimand of the stock exchange;
- (V) the information of the directors or supervisors appointed, or reappointed or transferred that must be disclosed according to the provisions of Hong Kong Listing Rules.

Unless a director or supervisor is elected via the cumulative voting system, each candidate for director or supervisor shall be proposed via a single proposal.

Article 83 Unless otherwise specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association, the notice of a general meeting shall be sent out to shareholders (whether they have voting rights at the general meeting or not) by a specific person or by post-paid mail. The addresses of the recipients are subject to the addresses registered in the register of members.

For shareholders of domestic shares, the notice of a general meeting may also be sent out in form of announcement.

The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council. Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.

Under the precondition of conforming to relevant provisions of laws and regulations, meeting the requirements of the listing rules of the stock exchange in the place where the stocks of the Company are listed and performing relevant procedures, the Company may also send the notice of a general meeting to H Shares shareholders by means of publishing the notice on the website of the Company and the websites designated by the Hong Kong Stock Exchange or in other ways permitted by Hong Kong Listing Rules and the articles of association, instead of sending the notice to H Share shareholders by a specific person or by post-paid mail.

Article 84 After the notice of general meeting is issued, the same meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the case of any postponement or cancellation of the meeting, the convener shall make an announcement and give the reasons therefore at least two workdays prior to the date on which the meeting is originally scheduled.

Article 85 The board of directors of the Company or any other convener shall take necessary measures to ensure the proper order of the general meeting. The board of directors or any other convener shall take measures to stop any act disturbing the general meeting, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and shall report such act to the relevant authority for investigation and treatment.

Article 86 All shareholders or their proxies in the register of members on the equity registration date shall be entitled to attend the general meeting and exercise their voting rights according to relevant laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the articles of association.

The shareholders that have the right to attend general meetings and exercise voting rights may attend and vote at general meetings either in person or by one or multiple proxies (the proxies may be not shareholders). The proxy may exercise the following rights according to the authorization of the shareholder:

- (I) the right of the shareholder to speak at the general meeting;
- (II) to require alone or together with others voting by ballot;
- (III) to exercise the voting right on a show of hands, but if more than one shareholder proxy is appointed, the shareholder proxies may exercise voting right only in form of ballot.

If the shareholder is a recognized clearing house defined by relevant laws or regulations of the place where the stocks of the Company are listed or an agent thereof, it may authorize one or more people it deems appropriate to act as its representatives at any general meeting; but, if more than one person is authorized, the power of attorney shall state the number and class of shares involved by each of the authorized persons. The power of attorney shall be signed by a person authorized by the recognized clearing house. The authorized persons may attend meetings (without presenting proof of shareholding, notarized authorization and/or further evidence to prove they have obtained official authorization) and exercise rights on behalf of the recognized clearing house (or its agent), as if the persons are individual shareholders of the Company.

Article 87 An individual shareholder attending a general meeting in person shall present his/her identity card or other valid identity certificates or share account card; a proxy attending a general meeting on behalf of an individual shareholder shall present his/her identity card and power of attorney of the shareholder. For a corporate shareholder, its legal representative or a proxy appointed thereby shall attend the meeting. The legal representative attending the meeting shall present his/her identity card or valid certificate bearing evidence of his/her qualifications as legal representative; a proxy attending the meeting on behalf of the legal representative shall present his/her identity card and the written power of attorney lawfully issued by the legal representative of the corporate shareholder. Recognized clearing house or agent appointed by an agent thereof attending the meeting shall present his/her identity card but is not required to present the valid certificate that can prove his/her legal representative qualification or the written power of attorney.

Article 88 A shareholder shall authorize a proxy in a written form, with the signature of the principal or the proxy authorized by it in a written form. If the principal is a legal person, the legal person seal or the signature of its director or officially authorized proxy shall be affixed.

The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall specify:

- (I) the name of the proxy;
- (II) number and class of shares of the principal represented by the proxy;
- (III) whether or not the proxy has any voting right;
- (IV) directive to vote for or against or abstain from voting on each and every matter under consideration included in the agenda of the general meeting;
- (V) the date of issue and validity period of the power of attorney;
- (VI) signature (or seal) of the principal. If the principal is a corporate shareholder, the corporate seal shall be affixed.

Article 89 Any format of power of attorney sent by the board of directors of the Company to shareholders for appointing shareholder proxies shall enable the shareholders to freely select instructing the shareholder proxies to cast affirmative or negative votes, and give instructions on the matters to be voted at every topic of the meeting. A power of attorney shall state clearly that the proxy shall be entitled to vote or not at his discretion in the absence of specific instructions from the shareholder.

Article 90 The power of attorney for voting shall be prepared at the Company's domicile or at such other place as specified in the notice of the meeting at least 24 hours prior to the convention of the meeting at which the power of attorney authorizes to vote, or 24 hours prior to the designated voting time. If the power of attorney for voting by proxy is signed by the authorized person of the principal, the letter of authority for signing or other authorization documents shall be notarized. The notarized power of attorney and other authorization documents shall, together with the power of attorney for voting, be deposited at the Company's domicile or at such other place as specified in the notice of the meeting.

Where the principal is a legal person, its legal representative or a person authorized by the board of directors or other decision-making body shall attend the general meeting of the Company.

Article 91 Where the principal is deceased, or loses capacity for act, or withdraws appointment, or withdraws the authorization to endorse appointment, or relevant shares have been transferred before voting, as long as the Company does not receive written notice on such matter before commencement of the meeting, the vote made by the shareholder proxy according to the power of attorney shall be still valid.

Article 92 Attendees' register shall be prepared by the Company. The attendees' register shall state the names (or names of the corporations), identification card number and the address of the attendees, the number of voting shares held or represented, names of the principals (or names of the corporations) and so on.

Article 93 The convener and the lawyer appointed by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of members provided by the securities registration and clearing organization, and shall register the names of the shareholders as well as the number of their voting shares. The registration for a meeting shall be completed before the presider announces the number of shareholders and proxies that attend the meeting and the total number of their voting shares.

Article 94 All directors, supervisors and secretary to the board of directors shall attend general meetings of the Company, and the general manager (chief executive officer), the co-chief executive officer and other senior management shall be present at the meetings.

Article 95 General meetings shall be convened by the board of directors. General meetings shall be presided over by the chairman. Where the chairman cannot or does not fulfil the duty thereof, the vice chairman shall preside over the meeting; and where the vice chairman cannot or does not fulfil the duty thereof, more than half of the directors may jointly elect a director to preside over the meeting.

A general meeting convened by the board of Supervisors itself shall be presided over by the chairman of the board of Supervisors. Where the chairman of the board of Supervisors cannot or does not fulfil the duty thereof, more than half of the supervisors may jointly elect a supervisor to preside over the meeting.

A general meeting convened by the shareholders themselves shall be presided over by a representative elected by the convener. If for any reason, the shareholder is unable to elect a representative as a presider to preside over the meeting, the shareholder holding the most voting shares among the shareholders (including shareholder proxy (other than HKSCC Nominees)) shall act as the preside to preside over the meeting.

When a general meeting is held and the presider violates the articles of association or the rules of procedure for general meetings of the Company, which makes it difficult for the general meeting to continue, a person may be elected at the general meeting to act as the presider, subject to the approval of more than half of the attending shareholders with voting rights.

Article 96 The Company shall formulate rules of procedure for general meetings defining in details the convening and voting procedure of general meetings, covering notification, registration, consideration of proposal, voting, counting of votes, announcement of voting result, formation of resolution, meeting minutes and signing thereof and announcement, and the principle and contents of authorization of the Board on general meetings. The rules of procedure for general meetings shall be appendix to the Articles of Association and shall be formulated by the board of directors and approved on the general meeting.

Article 97 The board of directors and the board of Supervisors shall report their work in the preceding year at the annual general meeting. Every independent non-executive director shall also make his work report.

Article 98 Directors, supervisors and members of the senior management shall make explanations in relation to the inquiries and suggestions made by shareholders at general meetings.

Article 99 The presider shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be as recorded in the meeting's register.

Article 100 Minutes of a general meeting shall be kept by the secretary to the board of directors. The minutes of the meeting shall specify:

- (I) time, venue and agenda of the meeting, and the name of the convener;
- (II) the names of the presider, and the directors, supervisors, general manager, co-chief executive officer and other senior management attending or present at the meeting;
- (III) the number of shares with voting rights held by the holders of domestic shares (including the shareholder proxy) and holders of foreign shares (including the shareholder proxy) attending the meeting, and their respective proportions in the total number of shares of the Company;
- (IV) the consideration process, summaries of speeches and voting result for each proposal; when the voting results are recorded, the voting status of the holders of domestic shares and holders of foreign shares on each matter subject to resolution;
- (V) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;
- (VI) the names of the lawyer, counting officer and monitoring officer;
- (VII) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

Article 101 The convener shall ensure the minutes of the meeting are true, accurate and complete. The attending directors, supervisors, secretary to the Board, convener or representative thereof, and presider shall sign the minutes of the meeting. The minutes of the meeting, the signed attendance record of those shareholders on the spot and the power of attorney for attendance by proxy, and the valid information relating to the voting over network or other means shall be kept for 10 years.

Article 102 Shareholders may consult the photocopies of minutes of meetings for free in the office hours of the Company. If any shareholder asks for the photocopy of relevant meeting minutes to the Company, the Company shall send the photocopy within seven days after receipt of reasonable fee.

Article 103 The convener shall ensure that a general meeting is held continuously until final resolutions are arrived at. If the general meeting is terminated or fails to reach any resolution due to force majeure or for other special reasons, the convener shall take necessary measures to resume the general meeting as soon as possible or directly terminate the general meeting and make a responsive announcement. Meanwhile, the convener shall report to the local office of the securities regulatory authority of the State Council in the locality of the Company and the stock exchange in the place where the stocks of the Company are listed.

Article 104 Resolutions of a general meeting shall be divided into ordinary resolutions and special resolutions.

Ordinary resolutions shall be passed by votes representing more than half of the voting rights held by shareholders (including proxies thereof) attending the general meeting. Special resolutions shall be passed by votes representing more than two thirds of the voting rights held by shareholders (including proxies thereof) attending the general meeting.

Article 105 The following matters shall be approved by ordinary resolutions at a general meeting:

- (I) work reports of the board of directors and the board of Supervisors;
- (II) the Company's profit distribution plan and loss recovery plan;
- (III) appointment and dismissal of the members of the board of directors and supervisors that are not employee representative, their remunerations and the method of payment thereof;
- (IV) the Company's annual budgets, final accounts, balance sheets, income statements and other financial statements;
- (V) the Company's annual reports;
- (VI) external guarantees specified in the Articles of Association;
- (VII) consideration and approval of matters relating to the changes in the use of proceeds from share offerings;
- (VIII) resolution on appointment or dismissal of the Company's accounting firm;
- (IX) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association.

Article 106 The following matters shall be approved by special resolutions at a general meeting:

- (I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;
- (II) issuance of corporate bonds;
- (III) the division, merger, dissolution and liquidation of the Company;
- (IV) amendment to the Articles of Association;

(V) any other matter specified in the laws, administrative regulations or the Articles of Association and confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions.

Article 107 Shareholders (including shareholder proxies) shall exercise their voting rights in the amount of the voting shares they represent, with each share carrying one vote. The votes casted by minority investors shall be separately counted when material matters affecting the interests of minority investors are being deliberated at the general meeting. The results of the separate vote-counting shall be publicly disclosed in a timely manner. The shares held by the Company itself shall have no voting rights and shall not be calculated into the total number of voting shares held by the attending shareholders. The board of directors, independent non-executive directors and shareholders who meet related provisions may solicit the voting rights of shareholders. Where the voting rights of a shareholder are being solicited, information such as the specific voting intention shall be fully disclosed to the shareholder. It is prohibited to solicit shareholders' voting rights in a covertly or overtly payable manner. The Company shall not impose restrictions on the minimum shareholding percentage for solicitation of voting rights.

Article 108 When a connected transaction is considered at a general meeting, connected shareholders shall not vote, and the voting shares they represent shall not be counted in the total number of valid voting shares; the announcement of any resolution made at the general meeting shall adequately disclose information relating to voting by non-connected shareholders.

When a general meeting deliberates the connected transaction matter, the connected shareholder shall actively state the situation to the general meeting and explicitly indicate that he will not participate in the voting. In case such connected shareholder fails to actively state the connected relation, other shareholders may request him to state the situation and avoid the voting. Connected shareholder fails to state the connected relation and avoid the voting, the voting shares held by him/her shall not be calculated into the total number of voting shares present at the general meeting.

If, after the conclusion of the general meeting, other shareholders find out that the related shareholders have participated in the voting on the related party transactions, the shareholders shall be entitled to file a lawsuit with the people's courts in respect of the relevant resolutions according to the Company Law and the provisions of the Articles of Association.

Article 109 The Company shall provide convenience for shareholders to attend general meetings by whatever means including the use of modern information technology means such as online voting platform, provided that the general meeting shall be held legally and validly.

Article 110 Unless the Company is in a crisis or any special circumstance, the Company may not enter into any contract with anyone other than a director, general manager or other senior management to have all or significant part of the Company's business in the care of the said person, unless with the approval by special resolutions at a general meeting.

Article 111 List of nominations for the candidates for directors or supervisors shall be proposed by way of proposal at general meetings for voting.

1. Shareholders individually or in aggregate holding more than 3% of the Company's shares may nominate and recommend candidates for directors to the board of directors in written form. After examination of qualifications of candidacy by the board of directors, a written proposal will be proposed to general meeting for election.
2. The board of directors may nominate and recommend candidates for directors and independent non-executive directors of the Company, and formulate a written proposal in the form of board of directors' resolution for proposing to the general meeting for election.
3. Shareholders individually or in aggregate holding more than 1% of the Company's Shares can nominate and recommend candidates for independent non-executive directors of the Company. After examination of qualifications of candidacy by the board of directors, a written proposal will be proposed to general meeting for election.
4. The board of Supervisors may nominate and recommend candidates for independent non-executive directors of the Company. After examination of qualifications of candidacy by the board of Supervisors, a written proposal will be proposed to general meeting for election.

Article 112 When the shareholders in the general meeting vote in respect of the election of directors and supervisors, a cumulative voting system shall be implemented in accordance with the provisions of the Articles of Association or the resolutions of the general meeting.

The cumulative voting system as referred above means that when a director or supervisor is elected at the general meeting, each share shall carry the same number of voting rights as the number of directors or supervisors to be elected, the total number of votes cast by shareholders attending the general meeting shall be the number of shares held times the number of director's candidates. Each shareholder may cast all his votes to a single candidate or spread his votes among different candidates, provided that the cumulative votes cast shall not exceed the total number of votes held by that shareholder. The board of directors shall announce the resume and basic information of each candidate of directors and supervisors to the shareholders. The directors shall be elected according to the number of votes cast for them. The number of votes obtained by the director's candidates shall exceed half of the voting rights represented by the persons attending the general meeting. For the candidates for directors or supervisor who have obtained more than half of the effective voting rights held by shareholders attending the general meeting, the elected directors or supervisors shall be determined specifically according to the number of directors or supervisors scheduled for election and based on the votes in descending order.

Article 113 The Company uses the cumulative voting system for the measures of voting in election of directors and supervisors:

- (I) When the directors (including independent non-executive directors) and supervisors are elected by way of voting at the general meeting of the Company, each shareholder has the right to vote equal to the number of shares held by the shareholders times the number of directors or supervisors to be elected; when the shareholders exercise voting rights, they have the right to determine whether to vote for a candidate of director or supervisor and the number of votes.

- (II) When filling in a ballot, a shareholder may either put all his/her votes to one candidate for director or supervisor or allocate his/her votes among different candidates for directors or supervisors, with indication of the number of votes underneath the name of each candidate for directors or supervisors he/she elected. For candidates for directors or supervisors that a shareholder is not willing to elect, zero votes shall be marked underneath their names.
- (III) A ballot shall be valid when number of votes indicated on ballots do not exceed the aggregate number of votes held by a shareholder. Votes by such shareholder shall be listed in valid voting results.
- (IV) A ballot shall be invalid if the number of votes exercised by a shareholder exceed the valid number of votes held by such shareholder. Votes by such shareholder shall not be listed in valid voting results.
- (V) An elected director and supervisor shall obtain more than one-half of the valid and supporting votes held by shareholders attending the general meeting. For candidates for directors or supervisors obtained more than one-half of valid and supporting votes at the general meeting, the elected director or supervisor shall be determined based on the predetermined numbers of director or supervisor and the valid votes of each candidate for directors or supervisors and then the number of votes received ranking in descending.
- (VI) If the number of candidates for directors or supervisors who obtained more than one-half of the valid and supporting votes held by shareholders attending the general meeting exceed numbers scheduled for election, for those unelected candidates for directors or supervisors according to the number of votes received ranking in descending, shall be unelected.
- (VII) If all or some of the candidates for director or supervisor have not obtained more than one-half of the effective and supporting votes held by shareholders attending the general meeting, resulting in the number of directors or supervisors so elected not reaching the predetermined quota for election, a second round of voting may be taken for the election of the candidates for director or supervisor not obtaining more than one-half of the effective votes held by shareholders attending the general meeting. If in the second round of voting, there are candidates for director or supervisor who obtain more than one-half of the valid and supporting votes held by shareholders attending the general meeting, the elected director or supervisor shall be determined based on the number of votes received ranking in descending order and dependent on the number of directors and supervisors need to be elected. If in the second round of voting, no candidate for director or supervisor obtains more than one-half of the valid and supporting votes held by shareholders attending the general meeting, or the number of candidates so elected does not meet the predetermined quota for election, no more election will be held at such general meeting, and such vacancies shall be elected at the next general meeting.

(VIII) When the shareholders with more than a half of the valid voting right attending the general meeting vote for candidates for directors or supervisors, which gives rise to the situation that such candidates obtain equal number of votes and that it exceeds the predetermined number of directors or supervisors to be elected, a second election shall be held in accordance with the related rules under the articles of association. If the scheduled election of directors or supervisors could not be completed after the second election, elections would not be held again in such general meeting and a by-election shall be held in the next general meeting.

(IX) No election will be held in such general meeting and election for next general meeting will be arranged when no director or supervisor of corresponding class and number required under the Article of Association have been elected after two elections held in a general meeting.

Article 114 Except for the cumulative voting system, all resolutions shall be resolved on a case-by-case basis at the general meeting. Where different resolutions for the same issue are proposed, such resolutions shall be voted on and resolved in the order of time in which they are proposed. Unless the general meeting is terminated or no resolution can be made due to special reasons such as force majeure, voting of such proposals shall neither be put on hold nor voting by-passed at the general meeting.

Article 115 When considering a resolution at a general meeting, no amendment shall be made thereto. Otherwise, any change made thereto shall be considered as a new resolution, of which the voting shall not proceed in that meeting.

Article 116 The same voting right may only be exercised at either an on-site meeting, on the network or in another voting method. In the event that the same voting right is repeated, the result of the first vote shall prevail.

Article 117 Unless otherwise required in the articles of association, at any general meeting, a resolution shall be decided on a show of hands, unless, before or after a vote is carried out by a show of hands, a poll demanded by the following persons or required by relevant regulations of the securities regulatory authority of the place where the shares of the Company are listed:

- (I) the chairman of the meeting;
- (II) at least two shareholders present in person or by proxy entitled to vote thereat; or
- (III) one or more shareholders (including proxies) holding, individually or in the aggregate, 10% or more of all shares carrying the right to vote at the meeting.

Unless a poll is demanded as requested, a declaration by the chairman that a resolution has been passed on a show of hands and the recording of the same in the minutes of meeting shall be conclusive evidence of the fact that such resolution has been passed. There is no need to provide evidence of the number or proportion of votes in favor of or against such resolution.

The demand for a poll may be withdrawn by the person who demanded the same.

If a poll is demanded in accordance with the relevant regulations of the securities regulatory authority at the place where the shares of the Company are listed, the chairman of the meeting may make a decision in good faith to permit the resolution on the pure relevant procedures or administrative matters to be passed on a show of hands.

A poll demanded on the election of the chairman of the meeting, or the adjournment of the meeting, shall be taken forthwith. A poll demanded on any other matter shall be taken as the chairman of the meeting directs, and the meeting may proceed with the discussion of other matters; the result of the ballot shall still be regarded as a resolution passed at the meeting.

Article 118 On a poll taken in respect of shares at a meeting, a shareholder (including a proxy) entitled to two or more votes is not required to cast all his votes for or against any proposal on all his votes.

Article 119 In the event of an equality of the number of votes for and against a resolution, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to one additional vote.

Article 120 Voting at a general meeting shall be taken by way of poll of registered voters.

Article 121 Before the proposals are being voted at shareholders' general meeting, two shareholder representatives shall be elected to participate in vote counting and monitoring. If these shareholders are interested in the matters to be examined, the relevant shareholders or their proxies shall not participate in the vote counting or monitoring.

When the proposals are being voted at the general meeting, lawyers, shareholders representatives and supervisors shall be jointly responsible for vote counting and scrutinizing and announcing the voting results onsite, while result of the vote would be recorded in the minutes of the meeting. The Company shall appoint its accounting firm, share registrar or an external auditor qualified as its accounting firm to be the scrutineer.

Shareholders of listed companies or their proxies voting through the internet shall have the right to check their own votes cast through the relevant voting system.

Article 122 An on-site general meeting shall not end earlier than the one held through internet or by other methods. The chairman of the meeting shall decide whether the resolutions of the meeting have been passed according to the voting and result of each proposal and his/her decision shall be conclusive, announced at the meeting and be recorded in the minutes.

Before announcing the poll results officially, the listed companies, the vote-counter, the voting scrutineer, our major shareholders and the internet service providers involved in the voting at the shareholders' general meeting, through the internet or other method shall assume confidentiality obligations.

Article 123 Shareholders present at the general meeting shall give one of the following comments to the proposals put forward for voting: for, against or abstention. If the voting slip has not been completed or has been completed incorrectly or that the writing is illegible or that the voting slip has not been cast, it shall be treated that the voter has renounced his/her voting rights and the voting result of the relevant number of shares held by him/her shall be counted as “abstain”.

Where the Hong Kong Listing Rules requires an abstention in respect of a resolution by any shareholder, or imposes restrictions on any shareholder for voting for (or against) a resolution, the vote casted by such shareholders or their proxies shall not be counted in case of any violation of the said requirement or restrictions.

Article 124 If the chairman of the meeting has any doubt on the poll results, he may arrange for vote counting. If the chairman of the meeting does not arrange for vote counting and the shareholders or their proxies attending the meeting object to the results announced by the chairman, they shall have the right to demand vote counting immediately after announcement of the voting results, and the chairman of the meeting shall arrange for vote counting immediately.

If counting of votes is held at a general meeting, the result of the counting shall be recorded in the minutes of the meeting. Minutes of meetings together with the signature book of the shareholders attending the meeting and proxy forms shall be kept at the domicile of the Company.

Article 125 Public announcement of the voting results of a general meeting, containing the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Company, the form of voting, result of each resolution and the detailed content of each resolution, shall be issued in time. Attendance and voting of holders of domestic shares and holders of foreign invested share shall be counted and published respectively.

Article 126 If a proposal is not passed or a resolution passed at the previous general meeting is amended at such general meeting, it shall be set out as a special reminder in the announcement on resolutions of the general meeting.

Article 127 Where a proposal on election of directors or supervisors is passed at the general meeting, saved as otherwise required by the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions being approved by the general meeting until the date on which the term of the current board of directors or board of Supervisors expire.

Article 128 Where a proposal on cash dividends, bonus shares or increase of share capital by way of transfer from capital reserves, the Company shall implement the specific scheme within two months after conclusion of the general meeting.

CHAPTER 9

Article 129

Article 130

Article 131

Article 132

Article 133

Article 134

Article 135

Article 136

CHAPTER 10 BOARD OF DIRECTORS

Article 137 Employee directors shall be elected or changed by employee meeting or employee representative meeting, and may be removed from his office by employee meeting or employee representative meeting; other directors shall be elected or changed by the general meeting, and may be removed from his office by the general meeting.

The term of office of a director is three years. A director may serve consecutive terms if re-elected. Independent non-executive directors who hold office for more than 9 years shall be re-elected after relevant consideration procedures are performed in accordance with the listing rules of the stock exchange where the shares of the Company are listed.

Any non-staff representative director with unexpired term of office may be removed by the general meeting by an ordinary resolution in accordance with relevant laws and regulations and the listing rules of the stock exchange at which the shares of the company are listed, provided that the director's right to claim damages based on any contract shall not be affected.

A director's term of service commences from the date he takes office, until the current term of service of the board of directors ends. A director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations, departmental rules, the listing rules of the stock exchange at which the shares of the company are listed and the Articles of Association until a re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office.

The general manager (chief executive officer), co-chief executive officer or other members of senior management may concurrently serve as a director, provided that the aggregate number of the directors, who concurrently serve as general manager (chief executive officer), co-chief executive officer or other members of senior management, and the directors who are employee representatives, shall not exceed one half of all the directors of the Company.

A director is not required to hold shares of the Company. Directors of the Company shall be natural persons. A director is not required to hold shares of the Company.

Article 138 The directors shall comply with the laws, administrative regulations, the listing rules of the stock exchange at which the shares of the company are listed and the Articles of Association and shall faithfully perform their following obligations to the Company:

- (I) not to abuse their rights to accept bribes or other illegal income and not to misappropriate the properties of the Company;
- (II) not to misappropriate the money of the Company;
- (III) not to deposit any assets or money of the Company in any accounts under their names or in the names of other persons;
- (IV) not to violate the Articles of Association and lend the money of the Company to others or provide guarantee to others by charging the Company's assets without approval of the general meetings or the board of directors;
- (V) not to enter into contracts or transactions with the Company in violation of the Articles of Association or without approval of the general meeting;
- (VI) not to use their position to obtain business opportunities which should be available to the Company for themselves or others, or to run his/her own or others' business which is similar to the Company's business without approval of the general meeting;
- (VII) not to accept commissions in relation to transactions between any third party and the Company;
- (VIII) not to disclose the secrets of the Company without consent;
- (IX) not to use their connections to harm the interests of the Company;
- (X) to be bound by other duties of loyalty stipulated by the laws, administrative regulations, departmental rules, the listing rules of the stock exchange at which the shares of the company are listed and the Articles of Association.

The Company shall be entitled to the income gained by the directors in violation of this article; the director shall be liable for compensation if any loss is caused to the Company.

Article 139 The directors shall comply with the laws, administrative regulations, the listing rules of the stock exchange at which the shares of the company are listed and the articles of association and shall diligently perform their following obligations to the Company:

- (I) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company's commercial activities are in compliance with the laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business license;
- (II) to treat all shareholders equally and fairly;
- (III) to understand the operation and management of the Company in a timely manner;
- (IV) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;
- (V) to provide all relevant information and materials required by the board of Supervisors and shall not intervene the performance of duties of the board of Supervisors or supervisors;
- (VI) to perform other obligations of diligence stipulated by the laws, administrative regulations, departmental rules, the listing rules of the stock exchange at which the shares of the company are listed and the Articles of Association.

Article 140 The methods and procedures of director nomination are as follows:

- (I) The methods and procedures of nomination of director candidates shall be carried out in accordance with the relevant requirements of laws, administrative regulations, departmental rules, the listing rules of the stock exchange of the place where the shares of the Company are listed or the Articles of Association;
- (II) The intention to nominate a candidate for director and a written notice stating the candidate's consent to be nominated as director shall be served upon the Company 7 days prior to date of the general meeting (such 7 days notification period shall begin from no earlier than the next day following the dispatch of the notice of the general meeting and end no later than 7 days prior to the date of the general meeting). The Company shall provide at least 7 days (which begins from the next day following the dispatch of the notice of the general meeting) for the nominators and the director candidates to submit the abovementioned notice and documents. The director candidate who has given his/her consent to be nominated shall undertake that his/her personal information as disclosed are true and complete and that he/she will conscientiously perform his/her duties as director if so elected.

Article 141 A director who fails to attend two consecutive meetings of the board of directors in person or by proxy shall be deemed as unable to perform his/her duties. The board of directors shall propose to the general meeting for removal of such director.

Article 142 A director may resign before expiry of his/her term of service. When a director resigns, he shall submit a written resignation notice to the board of directors. The board of directors shall make relevant disclosure as soon as possible and within no later than 2 days.

If the member of directors falls below the minimum statutory requirement due to a director's resignation, the former directors shall still perform their duties as directors in accordance with the requirements of laws, administrative regulations, departmental rules, the listing rules of the stock exchange at which the shares of the company are listed and the Articles of Association before the appointment of the re-elected directors. Save for the circumstances referred to in the preceding paragraph, the director's resignation takes effect upon delivery of his/her resignation report to the board of directors.

Without violation of relevant laws and regulations and the regulatory rules of the place where the shares of the Company are listed, any director appointed to fill a casual vacancy or as an addition to the board of directors shall hold office only until the next annual general meeting of the Company and shall be eligible for re-election at the meeting. Any director appointed to fill a casual vacancy shall accept shareholders' election at the first general meeting after acceptance of the appointment.

Article 143 When a director's resignation takes effect or his/her term of service expires, the director shall complete all transfer procedures with the board of directors. His/her duties towards the Company and the shareholders do not necessarily cease before the resignation letter becomes effective or within a reasonable period after it has become effective, and within a reasonable period after the end of his/her term of service. The duty of confidentiality in respect of trade secrets of the Company shall still be in effect after the end of his/her term of office, until such trade secrets become publicly available information. Other duties may continue for such period as the principle of fairness may require, depending on the length of time which has elapsed between the occurrence of the event concerned and the termination of tenure, and the circumstances and terms under which the relationships between them and the Company have been terminated.

Article 144 Unless legally authorized by the articles of association or the board of directors, no director shall act on behalf of the Company or the board of directors. When a director acts in his/ her own name and a third party reasonably considers such director acts on behalf of the Company or the board of directors, such director shall declare in advance his/her position and capacity.

Article 145 A director shall be personally liable for any loss suffered by the Company as a result of a violation by him of any laws, administrative regulations, departmental rules, the listing rules of the stock exchange at which the shares of the company are listed or the articles of association in the course of performing his/her duties.

A director shall be liable for economic loss suffered by the Company as a result of his/her absence from duty during his/her term of office.

Article 146 Independent non-executive directors shall perform in accordance with the relevant requirements of laws, administrative rules, departmental rules and the listing rules of the stock exchange of the place where the shares of the Company are listed.

Independent non-executive directors may tender their resignation before expiration of their term of office. If, at any time, the number of the independent directors of the Company falls below the minimum number as required by the Hong Kong Listing Rules or any independent non-executive director fails to meet the qualification and independence requirements of the Hong Kong Listing Rules, the Company shall notify the Hong Kong Stock Exchange of such occurrence and, by way of announcement, clarify the details and reasons thereof. The Company shall, within 3 months of such non-compliance, appoint such number of independent non-executive directors that is sufficient to meet the quorum as soon as possible to fulfill the requirements of the Hong Kong Listing Rules.

Article 147 The Company shall have a board of directors accountable to the general meeting.

Article 148 The board of directors shall comprise 7 directors (including two employee directors) and shall have one chairman and 1 vice chairman. Directors shall be elected through a general meeting. Members of the board of directors shall comprises at least 3 independent non-executive directors and shall not be less than one-third of all members of the board of directors. At least one of the independent non-executive directors must possess appropriate accounting or related financial management expertise.

Article 149 The board of directors shall exercise the following functions and powers:

- (I) to convene general meetings and report to general meetings;
- (II) to implement resolutions of general meetings;
- (III) to resolve on the Company's business plans and investment plans;
- (IV) to prepare the annual financial budgets and final accounting plans of the Company;
- (V) to prepare the profit distribution plan and loss makeup plan of the Company;
- (VI) to formulate proposals for the Company in respect of increase or reduction of registered capital, issue of bonds or other securities and the listing thereof;
- (VII) to formulate plans for material acquisitions, purchase of shares of the Company, merger, division, dissolution or transformation of the Company;
- (VIII) to determine, within the authority granted by the general meeting, such matters as external investment, acquisition and disposal of assets, asset mortgage, entrusted wealth management, etc.;
- (IX) to decide on the establishment of internal management organizations of the Company;

- (X) to appoint or dismiss the general manager (chief executive officer), co-chief executive officer, secretary to the board of directors of the Company, and the person in charge of finance of the Company, and to determine their remunerations, rewards and penalties;
- (XI) to set up the basic management system of the Company;
- (XII) to formulate the proposals for any amendment to the Articles of Association;
- (XIII) to manage information disclosure of the Company;
- (XIV) to propose to the general meeting the appointment or replacement of the accounting firms which provide audit services to the Company;
- (XV) to listen to work reports of the general managers (chief executive officer) and review their work;
- (XVI) to exercise other functions and powers as stipulated by laws, administrative regulations, general meeting or the Articles of Association.

The board of directors may resolve on the issues specified in the above paragraphs by approval of more than half of the directors save for the issues specified in items (VI), (VII) and (XII), for which approval of more than two-thirds of the directors is required.

The board of directors of the Company has established the audit committee, the remuneration and appraisal committee and the nomination committee. These special committees shall be accountable to the board of directors and perform their duties in accordance with the articles of association and the authorization of the board of directors, and proposals shall be submitted to the board of directors for consideration and decision. Members of the special committees are all comprised of directors, in particular, majority of the members of the audit committee, the nomination committee, and the remuneration and appraisal committee are independent non-executive directors. The convenors (the chairman) of the audit committee and the remuneration and appraisal committee shall be independent non-executive director(s) and the convenor (the chairman) of the nomination committee shall be the chairman or an independent non-executive director. The audit committee shall be comprised of at least three members, of which one member shall be an independent non-executive director, who possesses appropriate accounting or related financial management expertise.

The board of directors is responsible for formulating the rules of procedure of the special committees, and regulating the operation of the special committees.

Article 150 The board of directors shall not dispose of or agree to dispose of any fixed assets without approval by the general meeting if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within four months before such proposal to dispose of the fixed assets exceeds 33% of the value of the fixed assets as shown on the latest audited balance sheet considered and approved by the general meeting.

Disposals of the fixed assets mentioned herein include transfer of certain asset interests, but do not include guarantee provided by pledge of fixed assets.

The effectiveness of the Company's disposal of the fixed assets shall not be affected by any breach of the foregoing provisions in item 1 of this article.

Article 151 The Company's board of directors shall explain to the general meeting regarding the non-standard auditors' advice given by certified accountant in relation to the financial report of the Company.

Article 152 The board of directors shall formulate the rules of procedure for meetings of the board of directors to ensure the implementation by the board of directors of the resolutions of general meeting, to improve efficiency and to have scientific decision-making.

The rules of procedure of the board of directors provide the convening and voting procedures of the meetings of the board of directors and shall be an addendum to and have equal legality of, the articles of association. The rules of procedure of the board of directors shall be formulated by the board of directors and be approved by general meetings.

Article 153 The board of directors shall determine the scope of authorities in respect of external investment, acquisition or sale of assets, asset mortgage, external guarantees, entrusted finance management and connected transactions, and establish strict examination and decision-making procedures. Material investment projects shall be reviewed by experts and professionals and shall be subject to shareholders' approval at general meeting.

It shall be considered by the board of directors of the Company if the Company provides guarantee to others with its assets or credit, and it shall be considered and approved by more than two-thirds of directors at present. It shall be disclosed to the public in a timely manner after consideration by the board of directors if the Company provides external guarantee. When the board of directors considers the external guarantee, it shall obtain approval from more than two-thirds of directors present at the meetings of the board of directors and approval from more than two-thirds of all of independent non-executive Directors.

Any party provided with external guarantee exceeding the proportion of shares held by the Company must provide counter-guarantee and shall have actual ability to assume such counter-guarantee. Prior to decide to provide external guarantee (or prior to propose to general meeting for voting), the board of directors of the Company shall grasp the credit profiles of the secured party and fully analyze the interests and risks of such guarantee.

Directors and members of the senior management of the Company shall not enter into external guarantee contract on behalf of the Company without approval and authorization by a general meeting or the board of directors of the Company.

Directors and members of the senior management of the Company shall prudently treat and strictly control the risks of debt arising from the external guarantees. If the Company suffers losses due to directors and members of the senior management of the Company violate the approval authority and review procedures for external guarantees, the responsible directors and members of the senior management shall be liable for compensation for the losses arising from violations or improper external guarantees in accordance with the laws. The board of Supervisors or eligible shareholders of the Company may file a lawsuit in accordance with the requirements under this Articles of Association.

The Company shall strictly comply with the relevant listing rules of the stock exchange and the relevant requirements under this Articles of Association, and seriously fulfill the obligation of information disclosure of external guarantees. The disclosure content shall include the resolution of the board of directors or resolution of the general meeting, the total external guarantees of the Company and subsidiaries as of the information disclosure date and the total guarantees provided by the Company to its subsidiaries.

The independent non-executive directors of the Company shall specifically explain the accumulated and current external guarantee of the Company and relevant requirements of the execution of external guarantees in the annual report of the Company, and express independent opinion.

Article 154 The chairman and vice chairman of the Company shall be elected and removed by a majority of all directors.

Article 155 The chairman shall exercise the following powers:

- (I) to preside over shareholders' meeting and to convene and preside over meetings of the board of directors;
- (II) to monitor and inspect the implementation of resolutions passed by the board of directors;
- (III) to sign the securities certificates issued by the Company;
- (IV) to nominate the Company's general manager (chief executive officer), co-chief executive officer and secretary to the board of directors and submit to the board of directors for consideration;
- (V) to handle the daily affairs of the Board when it is in recess;
- (VI) to sign legal documents that shall be signed by the chairman of the Company;
- (VII) to exercise special disposition of the Company's affairs in accordance with laws and regulations and the interests of the Company, and to report to the Company's board of directors and general meeting, in the event of force majeure emergency such as major natural disaster;
- (VIII) to exercise other powers granted by the board of directors.

Article 156 The vice chairman of the Company shall assist works of the chairman. If the chairman is unable or fails to perform his duties, the vice chairman shall perform such duties; if the vice chairman is unable or fails to perform his duties, a director elected by more than half of the directors shall perform such duties.

Article 157 The board of directors shall be discussed through the board of directors meetings. Board of directors meetings include regular board of directors meeting and extraordinary board of directors meeting.

The board of directors meets regularly at least four times every year and it shall be convened by the chairman. All directors and supervisors shall be informed in written 14 days prior to convening of the meeting.

The agenda and the relevant meeting documents of regular board of directors meetings shall be fully and timely delivered to all of directors, and it shall be delivered at least three days (or any other agreed length of time) prior to the intended board of directors or its committee meetings.

Article 158 The following members of the board of directors may propose convening of an extraordinary meeting:

- (I) where shareholders representing over one-tenth of the voting right propose;
- (II) where over one-third of the directors jointly propose;
- (III) where the board of Supervisors proposes;
- (IV) where the board of directors considers it necessary;
- (V) where over half of the independent directors propose;
- (VI) where the general manager (chief executive officer) or co-chief executive officer proposes;
- (VII) where the securities governing authorities request to convene;
- (VIII) other circumstances stipulated by the Articles of Association.

The chairman shall convene and preside over a meeting of the board of directors within 10 days from receipt of such proposals.

Article 159 A notice of extraordinary meeting of the board of directors shall be served in person, delivered by posts, facsimile or emails; the time limit for the delivery of such notice is 3 days before the meeting. Restrictions imposed in this article may be ignored upon unanimous consent of all directors.

Article 160 The notice of the board meeting includes:

- (I) time and place of the meeting;
- (II) duration of the meeting;
- (III) cause and topic;
- (IV) date of notice.

Article 161 The board meeting shall be held upon the attendance of more than half of directors. Resolutions of the board of directors are voted by way of poll with each director having one vote. Where there is an equality of votes cast both for and against a resolution, the chairman of the board of directors shall have a casting vote.

Article 162 If any director has connection with the enterprise involved in the resolution made at a board meeting, the said director shall not vote on the said resolution for himself or on behalf of another director. The board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution of the board meeting shall be passed by more than half of the non-connected directors; while resolutions requiring approval of over two-thirds of the board of directors shall be passed by over two-thirds of the non-connected directors. If the number of non-connected directors attending the meetings is less than three, the issue shall be submitted to the general meeting for consideration.

Article 163 Voting on board of directors meetings may be conducted by written ballot or by a show of hands.

Unless otherwise required by laws, administrative regulations, departmental rules, regulatory documents and the listing rules of the stock exchange of the place where the shares of the Company are listed, an extraordinary board of directors meeting may be held by way of facsimile, postal mail, correspondence and countersignature, during which resolutions may be passed and signed by participating directors, provided that all directors can fully express their opinions. Written resolutions shall then be endorsed by the directors who have voted by way of facsimile and correspondence.

Article 164 Directors shall attend the meetings of the board of directors in person. Where a director is unable to attend a meeting for any reason, he/she may, by a written power of attorney, appoint another director to attend the meeting on his/her behalf. The power of attorney shall set out the name of the attorney, issues under authorization, scope of authorization and valid period, which will be signed or sealed with the chop by the appointing director. A director appointed as a representative of another director to attend the meeting shall exercise the rights of a director within the scope of authority conferred by the appointing director. Where a director is unable to attend a meeting of the board of directors and has not appointed a representative to attend the meeting on his behalf, he shall be deemed to have waived his right to vote at the meeting.

Where the appointing director appoints another director to attend the meeting on his/her behalf, he shall be severally liable for legal liability for any decisions made within the scope of authority conferred by him on the attorney.

Article 165 Each director shall have equal right in speaking in conducting business and shall be entitled to fully express their views or recommendations on matters or topics considered at the board meeting.

Article 166 Where a director leaves during a board meeting without permission of the chairman of the meeting, he/she is deemed to have waived his/her right at the meeting.

Article 167 The board of directors shall keep minutes of resolutions passed at board of directors meetings. The minutes shall be signed by the attending directors.

Board of directors meeting minutes shall be kept as the Company's record at least for a period of 10 years.

Article 168 Board of directors meeting minutes shall include the following contents:

- (I) date and place of the meeting and name of the convener and the presider;
- (II) names of the attending directors and names of the directors (proxies) appointed by others to attend the board of directors meeting;
- (III) agenda of the meeting;
- (IV) main points of directors' speeches;
- (V) method and result of the voting for each proposal (the voting result should specify the number of votes for and against the proposal or abstention).

Article 169 Directors shall be responsible for the resolutions of board of directors. If the Company suffers serious losses as a result of any of resolutions of board of directors in breach of laws, administrative regulations or the Articles of Association or the requirements of the general meetings resolutions, the directors who participated in the passing of such resolution are liable to compensate the Company therefor. However, if it can be proven that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be released from such liability.

CHAPTER 11 THE SECRETARY TO THE BOARD OF DIRECTORS

Article 170 The Company shall have a secretary to the board of directors, who shall be a member of the senior management of the Company.

Article 171 The secretary to the board of directors of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be appointed by the board of directors. Main responsibilities include:

- (I) to ensure the Company's organization documents and records are complete;
- (II) to ensure the lawful preparation and submission by the Company of reports and documents as required by competent authorities;
- (III) to safeguard the Company's registers of members are properly maintained, and that persons entitled to the Company's records and documents are furnished with such records and documents in time;
- (IV) to perform other duties as granted by the board of directors and required by the laws, administrative regulations and the listing rules of the stock exchange at the place where the shares of the Company are listed and the Article of Association.

Article 172 The office of secretary may be held concurrently by a director or other senior management. The accountant from the accounting firm engaged by the Company shall not sever as the secretary to the board of directors concurrently. Where the office of secretary is held concurrently by a director, and an act is required to be conducted by a director and a secretary separately, the person who holds the offices of director and secretary concurrently may not perform such act in a dual capacity.

CHAPTER 12 BOARD OF SUPERVISORS

Article 173 The directors, general manager and other senior management may not concurrently take the position of supervisors.

Article 174 The supervisors shall observe laws, administrative regulations, the listing rules of the stock exchange where the shares of the Company are listed and the Articles of Association. They shall assume the duties of loyalty and due diligence to the Company, and shall not accept any bribery or other illegal income by using his powers and position, or seize the assets of the Company in any manner.

Article 175 Each term of office of a supervisor is 3 years and he/she may serve consecutive terms if re-elected upon expiry.

Article 176 A supervisor shall continue to perform his/her duties as a supervisor in accordance with the laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the shares of the Company are listed and the Articles of Association until a duly re-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his/ her term of office or if the resignation of the supervisor results in the number of supervisors being less than the quorum.

Article 177 A supervisor shall ensure that information disclosed by the Company is true, accurate and complete.

Article 178 Supervisors may attend meetings of the board of directors and make enquiries or proposals in respect of the resolutions of such meetings.

Article 179 A supervisor shall not take advantage of his connection with the Company to harm interests of the Company and shall indemnify the Company against losses caused thereby.

The supervisors shall be liable for the resolutions of the board of Supervisors. However, if it can be proven that a supervisor expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such supervisor may be released from such liability.

Any director during his/her term of office shall indemnify the Company against any economic loss arising from his/her leaving office without authorization.

Article 180 If a supervisor violates laws, administrative regulations, department rules, the listing rules of the stock exchange where the shares of the Company are listed or the articles of association when performing his duties in the Company, he/she shall indemnify the Company against losses incurred due to such violation.

Article 181 The Company shall have a board of Supervisors. The board of Supervisors comprises three supervisors. It shall have one chairman. The election or removal of the chairman of the board of Supervisors shall be determined by two-thirds or more of the members of the board of Supervisors. The chairman of the board of Supervisors shall convene and preside over board of Supervisors meetings. Where the chairman of the board of Supervisors is incapable of performing, or is not performing his/her duties, a supervisor nominated by more than half of the supervisors shall convene and preside over board of Supervisors meetings.

The board of Supervisors shall include a proper proportion of shareholder representative supervisors and employee representative supervisors. The proportion of employee representative supervisors in the board of Supervisors shall be no less than one third of the supervisors appointed. The employee representatives of the board of Supervisors shall be elected at the employee representatives' meeting, employee meeting or otherwise democratically.

Article 182 The board of Supervisors shall be accountable to general meetings and exercise the following functions and powers:

- (I) to review the periodic reports of the Company prepared by the board of directors and express its written opinion;
- (II) to check the financial condition of the Company;
- (III) to monitor the performance of duties in the Company by directors and senior management and propose dismissal of directors and senior management who have violated laws, administrative regulations, the articles of association or the resolutions of general meetings;

- (IV) to require directors and the senior management to make corrections if their conduct has damaged the interests of the Company, and to report to general meeting or relevant national competent authorities when necessary;
- (V) to propose the convening of extraordinary general meetings and, in case the Board does not perform the obligations to convene and preside over the general meetings in accordance with Company Law, to convene and preside over the general meetings;
- (VI) to propose proposals to the general meetings;
- (VII) to bringing actions against a director or a member of senior management in accordance with relevant provisions of the Company Law;
- (VIII) to verify the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the board of directors to the general meetings and, should any queries arise, to authorize, in the name of the Company, a re-examination by the certified public accountants and practicing auditors of the Company for the time being at the expenses of the Company;
- (IX) to conduct investigation if there is any unusual circumstance in the Company's operations; and if necessary, to engage an accounting firm, law firm or other professional institutions to assist in their work at the expenses of the Company;
- (X) to make recommendation on the preparation and amendment of profit distribution policy of the Company;
- (XI) other functions and powers conferred by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the shares of the Company are listed or the articles of association;

Supervisors may attend board of directors meetings.

Article 183 The board of Supervisors shall hold at least one meeting every six months. All supervisors shall be informed before 10 days of the convening date. A supervisor can convene temporary meeting according to actual situation.

A supervisor may propose to convene an extraordinary board of Supervisors meeting. The chairman of the board of Supervisors shall convene and host temporary board of Supervisors meeting within 10 days upon receipt the proposal.

A resolution of the board of Supervisors must be approved by two-thirds or more of the members of the board of Supervisors.

Article 184 The board of Supervisors shall formulate the rules of procedure to be followed at meetings of the board of Supervisors, specify the method for discussions and the voting procedures of the board of Supervisors, so as to ensure the working efficiency and scientific decision making of the board of Supervisors. The rules of procedure for the board of Supervisors shall be formulated by the board of Supervisors and attached to the articles of association, which shall be approved at the general meeting.

Article 185 The board of Supervisors shall record decision on matters discussed in the minutes for the meeting. Supervisors who attended the meeting shall sign on the minutes for the meeting.

A supervisor is entitled to request for some descriptive record to be made with regard to his/her speech in the meeting. The minutes of the board of Supervisors meeting shall be kept for at least 10 years as document of the Company.

Article 186 Notice of the board of Supervisors meeting shall include:

- (I) the date, place and duration of the meeting;
- (II) particulars of a matter and the matters to be discussed;
- (III) the date on which the notice is given.

Article 187 Voting at the board of Supervisors meetings shall be conducted by open ballot, and each supervisor shall have the right to one vote. Specific voting procedures are stipulated by the rules of procedure for meetings of the board of Supervisors.

CHAPTER 13 GENERAL MANAGER (CHIEF EXECUTIVE OFFICER) AND OTHER SENIOR MANAGEMENT OFFICERS

Article 188 The Company shall have two co-chief executive officers, one of them whom shall act as the general manger, one chief financial officer (financial controller), with the term of office of three years, who shall be appointed or dismissed by the board of directors, renewable upon re-appointment.

A director can serve as the co-chief executive officer.

Article 189 Requirements set out in Article 138 hereof with respect to the directors' duty of good faithfulness and the requirements set out in Article 139 (IV) to (VI) hereof with respect to the directors' obligations of integrity and diligence shall also be applicable to the members of the senior management of the Company.

Article 190 A person holding other administrative duties other than directors and supervisors in any entity of the Company's controlling shareholders and de facto controllers shall not hold the office of members of the senior management of the Company.

Article 191 The general manager (chief executive officer) shall report to the board of directors and exercises the right to sign external documents, including but not limited to signing: external contracts, agreements, official documents, notice and other external documents, and documents related with events and activities.

Article 192 The co-chief executive officer shall report to the Board and have the following duties and powers:

- (I) to be in charge of the production, operation and management of the Company, to organize and implement the resolutions adopted by the board of directors, and to report his work to the board of directors;
- (II) to organize and implement the annual business plans and investment plans of the Company;
- (III) to draft schemes for the establishment of the Company's internal management departments;
- (IV) to draft basic management system of the Company;
- (V) to formulate the detailed rules and regulations of the Company;
- (VI) to make proposals regarding the appointment or removal of the chief financial officers and other senior management of the Company;
- (VII) to appoint or remove managerial officers other than those to be appointed or removed by the board of directors;
- (VIII) to draft the salaries, benefits, rewards and punishments of the Company's employees, and to appoint or remove the Company's employees;
- (IX) other duties and powers authorized by the Articles of Association and the board of directors.

Article 193 The co-chief executive officer shall formulate detailed working rules for the general manager and submit the same to the board of directors for approval and, upon such approval, implement such rules.

Article 194 The detailed working rules formulated for the general manager (chief executive officer) shall include the following:

- (I) conditions and procedures for convening and participants of the general manager (chief executive officer) meetings;
- (II) specific duties of the general manager (chief executive officer), co-chief executive officer and other members of the senior management;

- (III) the use of funds and assets of the Company, authority to enter into material contracts and systems for reporting to the board of directors and board of Supervisors;
- (IV) other matters as deemed necessary by the board of directors.

Article 195 The general manager (chief executive officer) and co-chief executive officer may resign prior to the expiration of their term of office. The detailed procedures for the general manager's (chief executive officer's) and co-chief executive officer's resignation shall be set out in the service contract entered into between them and the Company.

Article 196 Candidates for general manager (chief executive officer) and co-chief executive officer of the Company shall be nominated by the board of directors, who shall be appointed or removed by the board of directors. The general manager (chief executive officer) and co-chief executive officer work together to deal with the operation and management of the Company, with which his/ her terms of references shall be determined by the relevant systems of the Company.

Article 197 If a member of the senior management of the Company violates the requirements under the laws, administrative regulations, departmental rules or regulations and the Articles of Association in the course of performing his/her duties of the Company and subsequently causes losses to the Company, he/ she shall be liable for compensation.

CHAPTER 14 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS, AND SENIOR MANAGEMENT OF THE COMPANY

Article 198 The following person shall not serve as director, supervisor, general manager (chief executive officer) or other senior management of the Company:

- (I) persons without capacity or with limited capacity of civil conduct;
- (II) persons who have committed offences relating to corruption, bribery, embezzlement of property, misappropriation of property or disruption of social economic order and have been sentenced to criminal punishment, where less than five years has elapsed since the date of enforcement, or who have been deprived of their political rights due to a criminal offense, where less than five years has elapsed since the date of enforcement;
- (III) persons who were former directors, factory managers or managers of a company or enterprise which was declared bankrupt due to its poor operation and management and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;
- (IV) persons who were legal representatives of a company or enterprise which had its business license revoked due to violation of the law and who were personally liable, where less than three years has elapsed since the date of the revocation;

- (V) persons who have a substantial amount of debts due and outstanding;
- (VI) persons who are under the investigation of the legal authority in accordance with the criminal laws and the trials have not yet finished;
- (VII) persons who are punished by the securities regulatory authority under the State Council;
- (VIII) persons who are prohibited from acting as a leader of an enterprise by virtue of laws or administrative regulations;
- (IX) persons other than a natural person;
- (X) persons who have been convicted by the competent authority for violation of securities regulations by acting fraudulently or dishonestly, where less than five years has elapsed since the date of the conviction;
- (XI) other contents stipulated by laws, administrative regulations, departmental rules, regulatory documents or listing rules of stock exchange where the shares of the Company are listed.

Where the Company elects and appoints a director or a supervisor or employs member of the senior management to which any of the above circumstances applies, such election, appointment or employment shall be null and void. A director, a supervisor and member of the senior management to which item (I) of the above applies during his/her term of office shall be released of his/her duties by the Company.

Article 199 The validity of an act of a director, general manager (chief executive officer) and other senior management on behalf of the Company for a bona fide third person is not affected by any incompliance in the appointment, election or qualification thereof.

Article 200 In addition to obligations imposed by laws, administrative regulations or the listing rules of the stock exchange where the shares of the Company are listed, each of the directors, supervisors, general manager, and other members of the senior management owes a duty to each shareholder in the exercise of the functions and powers of the Company entrusted to him/her:

- (I) not to cause the Company to exceed the scope of business laid down in its business license;
- (II) not to cause the Company to exceed the scope of business laid down in its business license;
- (III) not to expropriate in any way the Company's property, including (without limitation) usurpation of opportunities advantageous to the Company;
- (IV) not to expropriate the individual rights of shareholders, including (without limitation) rights to distribution and voting rights, save pursuant to the corporate restructuring submitted to the general meetings for approval in accordance with the Articles of Association.

Article 201 Each of the directors, supervisors, general manager (chief executive officer), and other members of the senior management of the Company owes a duty, in the exercise of his powers and discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Article 202 Each of the directors, supervisors, general manager (chief executive officer), and other members of the senior management of the Company shall carry on his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duty and his interest may conflict. This principle includes (without limitation) the discharge of the following obligations:

- (I) to act honestly in the best interests of the Company;
- (II) to exercise powers within the scope of his powers and not to exceed those powers;
- (III) to exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent of shareholders given in general meeting, not to delegate the exercise of his discretion;
- (IV) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;
- (V) except in accordance with the articles of association or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;
- (VI) without the informed consent of shareholders given in general meeting, not to use the Company's property for his own benefit;
- (VII) not to abuse his position to accept bribes or other illegal income or expropriate the Company's property by any means, including (without limitation) opportunities advantageous to the Company;
- (VIII) without the informed consent of shareholders given in general meeting, not to accept commissions in connection with the Company's transactions;
- (IX) to abide by the articles of association, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests;
- (X) not to compete with the Company in any form unless with the informed consent of the general meeting;
- (XI) not to misappropriate the Company's funds or lend such funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for debts of a shareholder of the Company or other individual(s) with the Company's assets;

(XII) unless otherwise permitted by informed consent of the general meeting, to keep in confidence information acquired by him in the course of and during his tenure and not to use the information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental authorities is permitted if:

1. disclosure is made under compulsion of law;
2. the interests of the public require disclosure;
3. the interests of the relevant director, supervisor, general manager (chief executive officer) and other members of the senior management require disclosure.

Article 203 Each director, supervisor, general manager (chief executive officer) and other members of the senior management of the Company shall not cause the following persons or institutions (“associate(s)”) to do what he is prohibited from doing:

- (I) the spouse or minor child of a director, supervisor, general manager (chief executive officer) and other senior management of the Company;
- (II) a person acting in the capacity of trustee of a director, supervisor, general manager (chief executive officer), and other members of the senior management of the Company or any person referred to in (I) herein;
- (III) a person acting in the capacity of partner of a director, supervisor, general manager (chief executive officer) and other members of the senior management of the Company or any person referred to in (I) and (II) herein;
- (IV) a company in which a director, supervisor, general manager (chief executive officer) and other members of the senior management of the Company, alone or jointly with one or more persons referred to in (I), (II) and (III) herein and other directors, supervisors, general manager (chief executive officer) and other members of the senior management of the Company have a de facto controlling interest;
- (V) the directors, supervisors, general manager (chief executive officer) and other members of the senior management of the controlled company referred to in the (IV) herein.

Article 204 The fiduciary duties of the directors, supervisors, general manager (chief executive officer) and other members of the senior management of the Company do not necessarily cease with the termination of their terms of office. The duty of confidence in relation to trade secrets of the Company survives the termination of their terms of office. Other duties may continue for such period as fairness may require depending on the time lapse between the termination and the act concerned and the circumstances under which the relationships between them and the Company are terminated.

Article 205 The liability of directors, supervisors, general manager (chief executive officer) and other members of the senior management of the Company for breaching a given obligation may be waived by the general meeting which has knowledge of the circumstances, save for other circumstances specified in the articles of association.

Article 206 Where a director, supervisor, general manager (chief executive officer) and other members of the senior management of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company, (other than his contract of service with the Company), he shall declare the nature and extent of his interests to the board of directors at the earliest opportunity, whether or not such contract, transaction or arrangement therefor is otherwise subject to the approval of the board of directors.

Unless under the exceptional circumstances specified in the Hong Kong Listing Rules or permitted by the Hong Kong Stock Exchange, directors shall not vote on any resolutions of the board of directors in respect of any contract or arrangement or any other suggestion in which he/she or his/ her close associates (as defined in the Hong Kong Listing Rules) have a material interest. When determining whether the quorum is reached, such directors shall not be counted.

Unless the interested director, supervisor, general manager (chief executive officer) and other members of the senior management disclose his/her interests in accordance with the requirements of the preceding paragraph of this article and the contract, transaction or arrangement is approved by the board of directors at a meeting in which the interested director, supervisor, general manager (chief executive officer) and other members of the senior management is not counted in the quorum and refrains from voting, such contract, transaction or arrangement is voidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested director, supervisor, general manager (chief executive officer) and other members of the senior management.

A director, supervisor, general manager (chief executive officer) and other members of the senior management of the Company is deemed to be interested in a contract, transaction or arrangement in which an associate of him is interested.

Article 207 If, prior to the Company's initial consideration of entering into relevant contracts, transactions, or arrangements, a director, supervisor, general manager and any other member of senior management of the Company has delivered a written notice to the Board, which contains a statement that he/she has interests in the contracts, transactions, or arrangements to be entered into by the Company in the future due to the contents specified in the notice, such director, supervisor, general manager and other members of senior management shall be deemed to have made the disclosure stipulated by the preceding Article in respect of the statement contained in the notice.

Article 208 The Company shall not, in any manner, pay taxes for its directors, supervisors, general managers and other members of senior managements.

Article 209 The Company shall not, directly or indirectly, make a loan to or provide a loan guarantee to any director, supervisor, general manager and other member of senior management of the Company and of the Company's parent company or any of the relevant persons of the foregoing.

The preceding provision shall not apply to the following circumstances:

- (I) the provision by the Company of a loan or loan guarantee to its subsidiaries;
- (II) the provision by the Company of a loan or loan guarantee or any other funds available to any of its directors, supervisors, general managers and other members of senior managements to meet expenditures incurred by him/her for the purpose of the Company or for the purpose of enabling him to perform his/her duties in accordance with the employment contract approved by the general meeting;
- (III) if the ordinary course of the business of the Company includes the provision of a loan or loan guarantee, the Company may provide a loan or loan guarantee to the relevant directors, supervisors, general managers and other members of senior managements and the relevant persons thereof, provided that such provision is on normal commercial terms.

Article 210 Any person who receives funds from a loan which has been made by the Company acting in breach of the preceding Article shall, irrespective of the terms of the loan, forthwith repay such funds to the Company.

Article 211 The loan guarantee which has been provided by the Company in breach of the Article 209 (I) shall not be enforceable against the Company, save in respect of the following circumstances:

- (I) at the time the loan was made to a relevant person of any of the directors, supervisors, general managers and other members of senior managements of the Company or the Company's parent company, the lender was not aware of the relevant circumstances;
- (II) the security provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

Article 212 The guarantee as referred to in the preceding paragraph of this chapter shall include the undertaking of liability of the provision of property by the guarantor to secure the obligor's performance of his obligations.

Article 213 In addition to any rights and remedies provided by laws and administrative regulations, when a director, a supervisor, a general manager and any other member of senior management of the Company is in breach of his/her duties to the Company, the Company has a right:

- (I) to demand relevant director, supervisor, general manager and other members of senior management to compensate for the losses sustained by it as a result of such breach of duty;

- (II) to rescind any contract or transaction entered into between the Company and relevant director, supervisor, general manager and other member of senior management and between the Company and a third party (where such party knew or should have known that such director, supervisor, general manager and other members of senior management representing the Company has been in breach of his duty to the Company);
- (III) to demand such director, supervisor, general manager and other member of senior management to surrender the proceeds as result of the breach of his duty;
- (IV) to recover any money which shall have been received by the Company but were received by such director, supervisor, general manager and other member of senior management instead, including (without limitation) any commissions;
- (V) to demand repayment of any interests earned or which may have been earned by such director, supervisor, general manager and other member of senior management on money which shall have been received by the Company.

Article 214 The Company shall enter into a written contract with each director, supervisor, general manager and other member of senior management, which shall at least include the following provisions:

- (I) the director, supervisor, general manager and other member of senior management shall undertake to the Company, to comply with the Company Law, the Articles of Association and the Hong Kong Codes on Takeovers and Mergers and Share Repurchases and regulations of the Hong Kong Stock Exchange, and agree that the Company will be entitled to the remedies as specified in the articles of association, and such contract and his/her position shall not be transferred;
- (II) the director, supervisor, general manager and other member of senior management shall undertake to the Company, to comply with and perform the duties that he/she shall perform to the shareholders as required by the articles of association;
- (III) the arbitration provisions specified in the Articles of Association;

A written contract shall also include remuneration, with the prior approval of the general meeting. The aforesaid remuneration may include:

- (I) remuneration in respect of his/her service as director, supervisor or member of senior management of the Company;
- (II) remuneration in respect of his/her service as director, supervisor or member of the senior management of any subsidiary of the Company;
- (III) remuneration in respect of the provision of other services in connection with the management of the Company and any of its subsidiaries;

(IV) payment by way of compensation for loss of office or for or in connection with the retirement of such director or supervisor from office.

No proceedings may be brought by a director or supervisor against the Company for anything due to him in respect of the matters mentioned in this article except pursuant to any contract described above.

Article 215 Any contracts for remuneration between the Company and its directors or supervisors shall provide that in the event that the Company is to be acquired by others, the Company's directors and supervisors shall, subject to the prior approval of the general meeting, have the right to receive compensation or other payment for his/her loss of or retirement from office. For the purposes of the preceding paragraph, the acquisition of the Company includes any of the following:

- (I) an acquisition offer made by any person to all the shareholders;
- (II) an acquisition offer made by any person with a view to enable the offeror to become a "controlling shareholder".

If the relevant director or supervisor does not comply with this article, any sum so received by him/her shall belong to those persons who have sold their shares as a result of acceptance such offer. The expenses incurred for distributing such sum on a pro rata basis amongst such persons shall be borne by such director or supervisor and shall not be paid out of such sum.

CHAPTER 15 FINANCIAL AND ACCOUNTING SYSTEM, AND PROFIT DISTRIBUTION

Article 216 The Company shall formulate its financial and accounting systems in accordance with PRC laws and the PRC accounting standards formulated by relevant state authorities.

Article 217 The Company shall prepare financial reports at the end of each fiscal year. Such reports shall be audited by an accounting firm in accordance with the law. The Company shall adopt the Gregorian calendar year as its fiscal year, which shall commence on January 1 and end on December 31 of the same Gregorian calendar year. The Company shall adopt the Renminbi as its bookkeeping base currency and its account books shall be kept in Chinese.

Article 218 The board of directors of the Company shall place before the shareholders at each annual general meeting such financial reports as relevant laws, administrative regulations, and directions promulgated by the local government and the authorities-in-charge require the Company to prepare.

Article 219 The financial reports of the Company shall be made available for inspection by shareholders 20 days prior to a general meeting. Each shareholder of the Company shall have the right to obtain a copy of the financial reports referred to in this Chapter.

The Company shall send the foregoing report of the board of directors, the financial report together with the balance sheet (including all annexes to the balance sheet as prescribed by the laws), profit and loss statement and income and expenditure statement, or summary financial report to each holder of overseas listed foreign shares by pre-paid mail at least 21 days before the convening of the general meeting. The address of the recipient shall be the registered address as shown on the register of members.

Article 220 The Company shall prepare its financial statements in accordance with the PRC accounting standards and regulations as well as the international accounting standards or the accounting standards of the place where the Company's shares are listed overseas. In case of any material difference between the financial statements respectively in accordance with the two accounting standards, explanations shall be made in the notes to the financial statements. Distribution of the profit after tax for the relevant fiscal year shall be based on the lesser of the profit after tax as shown in the two sets of financial statements.

Article 221 The interim results or financial information announced or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations as well as the international accounting standards or the accounting standards of the place where the Company's shares are listed overseas.

Article 222 The Company shall publish financial reports twice every fiscal year, namely an interim financial report within 3 months after the end of the first six months of the fiscal year and an annual financial report within 4 months after the end of the fiscal year.

Article 223 The Company shall not keep accounts other than those provided by law.

Article 224 The capital common reserve shall include the following funds:

- (I) the premiums obtained from the issue of shares above par;
- (II) other revenue required by the State Council's finance authority to be included in the capital common reserve.

Article 225 The Company may distribute dividends in the following forms:

- (I) Cash;
- (II) Shares.

Article 226 The Company shall appoint receiving agents for holders of overseas listed foreign shares to collect on behalf of the relevant shareholders the dividends distributed and other moneys payable in respect of overseas listed foreign shares.

The receiving agents appointed by the Company shall meet the requirements of the laws of the place, or the relevant regulations of the stock exchange, where shares are listed.

Article 227 The Company shall not keep accounts other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

Article 228 When the Company distributes its after-tax profits for a given year, it shall allocate 10 percent of profits to its statutory common reserve. The Company shall no longer be required to make allocations to its statutory common reserve once the aggregate amount of such reserve reaches at least 50 percent of its registered capital.

If the Company's statutory common reserve is insufficient to make up losses from previous years, the Company shall use its profits from the current year to make up such losses before making the allocation to its statutory common reserve in accordance with the preceding paragraph.

After making the allocation from its after-tax profits to its statutory common reserve, the Company may, subject to a resolution of the general meeting, make an allocation from its after-tax profits to the discretionary common reserve.

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

If the general meeting breaches the provisions of the preceding paragraph by distributing profits to shareholders before the Company has made up its losses and made allocations to the statutory common reserve, the shareholders must return to the Company the profits that were distributed in breach of the said provisions.

Shares of the Company that are held by the Company itself shall not participate in the distribution of profits.

The Company's common reserves shall be used to make up the Company's losses, to expand the Company's production and operations or, through conversion into capital, to increase the Company's capital. However, the capital common reserve will not be used to make up the Company's losses. The capital common reserve shall include the following funds:

- (I) the premiums obtained from the issue of shares above par;
- (II) other revenue required by the State Council's finance authority to be included in the capital common reserve;
- (III) When funds in the statutory common reserve are converted into capital, the funds remaining in such reserve will not be less than 25 percent of the Company's registered capital before the conversion.

Article 229 The Company shall enjoy dividends of any and all shares for which it has already paid prior to the call is made, but the holder of such shares shall have no right to receive the dividends distributed thereafter with respect to the prepaid shares. On the premise that the pertinent laws, regulations, departmental rules and normative documents of China are observed, the Company may exercise the right of confiscation against any unclaimed dividends, but such right may only

Article 230 The Company has the power to cease sending dividend warrants by post to a holder of H shares, but may exercise such power only if such warrants have been left uncashed on two consecutive occasions. However, the Company may exercise such power after the first occasion on which such a warrant is returned undelivered.

On the premise of conforming to the relevant laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange, the Company shall have the right to sell any shares of the holder of H-shares who could not be reached in a manner which the Board deems appropriate, but the following conditions must be observed:

- (I) the Company has paid, during a period of 12 years, at least three dividends in respect of the shares in question but no dividend during that period was claimed;
- (II) on expiry of the 12 years, the Company gives notice of its intention to sell the shares by way of an announcement published in one or more newspapers in the place where the Company is listed and notifies the securities regulatory authority of the place where its shares are listed of such intention.

Article 231 The Company shall appoint receiving agents for holders of overseas listed foreign shares to collect on behalf of the relevant shareholders the dividends distributed and other money payable in respect of overseas listed foreign shares. The receiving agents appointed by the Company shall meet the requirements of the laws of the place, or the relevant regulations of the stock exchange, where shares are listed. The receiving agents appointed by the Company for the holders of H shares shall be trust companies registered under the Trustee Ordinance of Hong Kong.

Article 232 The Company shall conduct internal audit and assign full-time auditors to conduct internal audit and supervision on the financial revenues/expenditures and economic activities of the Company.

Article 233 The internal audit system and duties of the auditors of the Company shall be subject to the approval of the Board. The officer in charge of audit shall be accountable to the Board and report his work to the same.

CHAPTER 16 APPOINTMENT OF ACCOUNTING FIRM

Article 234 The Company shall appoint such accounting firm which has obtained the (“Qualifications for Engaging in the Business Related to Securities” (從事證券相關業務資格)) for carrying out the audit for the accounting statements and reports, net asset verification and other relevant consultancy service. The accounting firm shall serve a term of one year, from conclusion of one annual general meeting to conclusion of the next annual general meeting, and can be re-appointed.

Article 235 The appointment of an accounting firm by the Company shall be decided by the general meeting. The Board may not appoint an accounting firm before the decision is made by the general meeting, otherwise required under this Articles of Association.

Article 236 The certified public accountants appointed by the Company shall have the following rights:

- (I) to access the account books, records and vouchers of the Company, and to ask directors, manager or other senior executives to provide relevant documents and explanations;
- (II) to ask the Company to take every action possible to obtain documents and explanations from its subsidiaries needed for the certified public accountants to perform their duties;
- (III) to attend at the general meetings, get notice of the general meeting that any shareholder has the right to receive or other information relating to the general meetings, and deliver speeches at any general meeting in relation to the matters concerning the certified public accountants.

Article 237 If there is a vacancy in the position of accounting firm of the Company, the Board may appoint an accounting firm to fill such vacancy before the convening of the general meeting, but the appointment shall be confirmed by the shareholders in the next general meeting. However, any other accounting firm which has been appointed by the Company may continue to act during the period of existence of such vacancy.

In the event that the general meeting intends to pass and approve a resolution for hiring an accounting firm which is not being hired to fill in any vacancy of an accounting firm, or for re-hiring an accounting firm appointed by the board of directors to fill in any vacancy of an accounting firm, or for dismissing an accounting firm prior to the expiry of the term of office, the following provisions shall be met:

- (I) Prior to the delivery of the notice of the general meeting, such proposal regarding the appointment or dismissal shall be delivered to such accounting firm which is to be appointed or to leave, or which has left during the relevant accounting year. Leaving the office shall include the dismissal or resignation of appointment and leaving of its position.
- (II) In the event that the accounting firm leaving the position has made a written statement and requests the Company to inform the shareholders of such statement, the Company should adopt the following measures unless it has received the written statement too late:
 - 1. In the notice issued for making a resolution, it is expressly stated about the accounting firm leaving the position having made a statement;
 - 2. A photocopy of such statement shall be made as an attachment to the notice delivered to the shareholders in the manner as provided in the articles of association.

(III) Should the Company fail to deliver the statement of the relevant accounting firm pursuant to the provisions of item (II) above, the relevant accounting firm may request to read out such statement at the general meeting and shall further make an appeal.

(IV) The accounting firm leaving its position shall have the right to attend the following meetings:

1. the general meeting during its term of office which is to expire;
2. the general meeting for filling a vacancy caused by the dismissal of such accounting firm;
3. the general meeting convened due to the active resignation of such accounting firm.

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

Article 238 Regardless of the terms in the contract concluded between the accounting firm and the Company, the general meeting may, through an ordinary resolution, resolve to dismiss the said accounting firm before the expiration of the term thereof. In the event of any rights claimed by the accounting firm against the Company, the said rights shall not be affected.

Article 239 The Company ensures to provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

Article 240 The remuneration of the accounting firm or the way to confirm the remuneration shall be determined by the general meeting. The remuneration of such accounting firm appointed by the board of directors shall be confirmed by the board of directors.

Article 241 Should the Company dismiss or no longer re-appoint the accounting firm, it shall notify such accounting firm 30 days in advance. When the general meeting votes for the dismissal of such accounting firm, such accounting firm shall be allowed to express their opinions. The Company's appointment, dismissal or non-reappointment of the accounting firm shall be decided at the general meeting and shall be filed with securities regulatory authority under the State Council.

Where the accounting firm resigns its office, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.

Article 242 The accounting firm may resign by placing a written notice of resignation at the legal address of the Company. The said notice shall take effect as on the date of placement at the legal address of the Company, or on a later date specified in the notice. The said notice shall include the following statements:

1. statement that the accounting firm thinks its resignation does not involve any circumstances that it shall be explained to the shareholders or creditors of the Company; or
2. representation on any circumstances that shall be explained.

Within 14 days after receiving the above written notice, the Company shall send the photocopies of this notice to relevant competent authorities. If the notice contains any of the representation mentioned in item 2 under this article, the Company shall also mail, by post-paid mail or other means permitted by the stock exchange in the place where the stocks of the Company are listed, the aforesaid duplicate of representation to every shareholder entitled to receive the financial condition reports of the Company, at the address registered in the register of members. If the resignation notice contains any of the representations mentioned in the item 2 above of this article, the accounting firm may require the board of directors to convene an extraordinary general meeting to listen to its explanation on the resignation.

CHAPTER 17 NOTICE AND ANNOUNCEMENT

Article 243 The notice of the Company may be served as follows:

- (I) by personal delivery;
- (II) by post;
- (III) by announcement;
- (IV) by fax;
- (V) by email;
- (VI) by publication on the website of the Company and the websites designated by the stock exchange under the precondition of conforming to laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association;
- (VII) by other means specified in the Articles of Association;
- (VIII) by other means agreed by the Company or the notified party in advance or accepted by the notified party after receipt of the notice;
- (IX) by other means accepted by the regulators in the place where the stocks of the Company are listed or prescribed in the Articles of Association.

For the means by which the Company provides or delivers communications of the Company to the holders of the H Shares pursuant to Hong Kong Listing Rules, such communications may be published on the website designated by the Company and/or the website of the Hong Kong Stock Exchange or by electronic means provided or delivered to the holders of the H Shares under the precondition of conforming to the laws, regulations and listing rules in the listing place, and the Articles of Association.

For the purpose of the foregoing paragraph, communications of the Company shall mean any document delivered or to be delivered by the Company for the reference of any holder of the H Shares or other people required in Hong Kong Listing Rules, or for taking any action, including without limitation:

- (I) annual reports of the Company (including reports of the board of directors and the annual account, audit report and financial summary report (if applicable) of the Company);
- (II) interim reports and interim summary reports (if applicable) of the Company;
- (III) notices of meetings;
- (IV) listing documents;
- (V) circulars;
- (VI) proxy form (the definition of which shall be subject to the listing rules of the stock exchange in the place where the stocks of the Company are listed).

Where notices are given by way of announcements under authorization conferred by the Articles of Association, such announcements shall be published by means specified in the Hong Kong Listing Rules.

Article 244 Under the precondition of conforming to laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association, if a notice of the Company is served by announcement, the said notice shall be deemed as received by all relevant persons once the said notice is announced.

Article 245 Notice of meeting of the general meeting of the Company shall be served by announcement and published on the media for disclosure of information of listed companies required under the securities regulatory authorities under the State Council and the listing rules of the stock exchange in the place where the stocks of the Company are listed.

Article 246 Notice of board of directors meeting of the Company shall be served by personal delivery, post, fax or email.

Article 247 Notice of meeting of the board of Supervisors of the Company shall be served by personal delivery, post, fax or email.

Article 248 If the notice of the Company is served by personal delivery, the recipient shall affix signature (or seal) to the return on service and the signing date shall be the date of service; if the notice of the Company is served by post, the third working day after handover to the post office shall be the date of service; if the notice of the Company is sent by fax, the sending date shall be the date of service; if the notice of the Company is sent by email, the date of delivery recorded on the computer that sent the email shall be the date of service; if the notice of the Company is served by announcement, the date of first announcement shall be the date of service.

Article 249 The accidental omission to give notice of meeting to, or non-receipt of notice of meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions adopted at the meeting.

Article 250 If the listing rules in the place where the stocks of the Company are listed require the Company to send, mail, distribute, issue, publish or provide by other means the relevant documents of the Company in English and Chinese versions, the Company may (according to the intentions expressed by shareholders) send only English text or only Chinese text to relevant shareholders in the range permitted by the applicable laws and regulations and according to applicable laws and regulations, provided that the Company has made appropriate arrangement to determine whether its shareholders hope to receive only English text or only Chinese text.

Article 251 The Company shall designate a newspaper and a website required under the securities regulatory authorities under the State Council for disclosure of information of listed companies as the media for Company to publish announcements and other to-be-disclosed information to shareholders of domestic shares. If an announcement shall be sent to shareholders of the H Shares in accordance with the articles of association, it shall be published by the methods specified in Hong Kong Listing Rules.

The information disclosed by the Company on other public media shall not be earlier than those disclosed on designated newspapers and designated websites. The announcement of the Company may not be substituted by press conference, or answer to reporter's questions or other forms.

The Board shall have the right to decide to adjust the determined media for information disclosure of the Company, but should ensure that the designated media for information disclosure meets the qualifications and conditions stipulated by the Mainland China and Hong Kong laws and regulations, the securities regulatory authority of the State Council, overseas regulatory authorities and the stock exchange in the place where the stocks of the Company are listed.

CHAPTER 18 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL DECREASE, DISSOLUTION AND LIQUIDATION

Article 252 Merger of the Company may take the form of absorption or establishment of a new company.

One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.

Article 253 For the merger or division of the Company, the board of directors of the Company shall put forth a plan. After it is approved in the procedure specified in the articles of association, relevant examination and approval formalities shall be completed according to law. The shareholders who object to the merger or division plan of the Company shall have the right to require the Company or the shareholders who agree to the merger or division plan of the Company to purchase their shares at a fair price. The content of the resolution on merger or division of the Company shall be made into a special document, for the reference of shareholders.

For shareholders of the H Shares of the Company listed in Hong Kong, the aforesaid document shall also be served by mail or by other means permitted by the Hong Kong Stock Exchange.

Article 254 In the event of merger of the Company, the parties concerned shall conclude a merger agreement and prepare balance sheets and property inventories. The Company shall notify all creditors within 10 days after adoption of the merger resolution and shall make announcements through designated media within 30 days. The creditors may require the Company to repay debts or provide corresponding guarantees within thirty days after receipt of the notice or within 45 days after the announcement if the creditors haven't received the notice.

Article 255 The credits and debts of the Company during merger shall be inherited by the company subsisting after merger or by the newly established company.

Article 256 If the Company is divided, its properties shall be divided accordingly.

Where the Company is divided, a balance sheet and a property inventory shall be prepared. The Company shall notify all creditors within 10 days after adoption of the division resolution and shall make announcements through designated media within 30 days.

Article 257 The debts of the Company prior to the division shall be undertaken by the companies after division, save as otherwise specified in the written agreement on debt repayment reached between the Company and its creditors before division.

Article 258 Where the Company needs to decrease the registered capital, the Company shall prepare a balance sheet and a property inventory.

The Company shall notify the creditors within 10 days after adoption of the resolution to decrease the registered capital and shall make announcements through designated media within 30 days. A creditor may, within thirty days from the date of receipt of the written notice or, if he did not receive a written notice, within 45 days from the date of the announcement, require the Company to repay debts or provide corresponding guarantees.

Article 259 Change in registered particulars arising from a merger or division of the Company shall be registered with the companies registration authority according to law. If the Company is dissolved, it shall be deregistered according to law. If a new company is established, such establishment shall be registered according to law.

Increase or decrease of the registered capital of the Company shall be registered with the companies registration authority according to law.

Article 260 The Company shall be dissolved in accordance with the law if:

- (I) the general meeting resolves to to dissolve the Company;
- (II) dissolution is necessary as a result of the merger or dissolution of the Company;
- (III) the Company is legally declared bankrupt because it is unable to pay its debts as they fall due;
- (IV) the Company has its business license revoked, is ordered to close down or is shut down in accordance with the law; or
- (V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10 percent of all shareholders' voting rights may petition a People's Court to dissolve the Company.

Article 261 Where the Company is dissolved in accordance with items (I), (IV) and (V) of the preceding Article, a liquidation committee shall be established within 15 days from the date of occurrence of the cause of liquidation. The members of the liquidation committee shall be determined by the directors or the general meeting. In case no liquidation committee is established within the specified period to commence liquidation, the creditors may apply to the People's Court to designate relevant persons to form a liquidation committee and commence liquidation.

Where the Company is dissolved according to item (III) of the preceding Article, the people's court shall, according to provisions of related laws, organize the shareholders, the relevant authority and related professionals to form a liquidation committee to carry out liquidation.

Article 262 If the board of directors decides to liquidate the Company for any reason other than the Company's declaration of its own insolvency, it shall state in the notice on convening a general meeting for this reason that it has made full investigation on the Company's position and believes the Company is able to pay its debts in full within 12 months from the commencement of the liquidation.

Upon the adoption of the resolution at the general meeting for the liquidation of the Company, all functions and powers of the board of directors shall cease immediately.

The liquidation committee shall act in accordance with the instructions of the general meeting to make a report at least once every year to the general meeting on the income and expenses of the committee, the business of the Company and the progress of the liquidation; and present a final report to the general meeting on completion of the liquidation.

Article 263 During liquidation, the liquidation committee shall exercise the following functions and powers:

- (I) to examine and take possession of the assets of the Company and prepare the balance sheet and a property inventory;
- (II) to inform creditors by notice or announcement;
- (III) to deal with the outstanding businesses of the Company relating to liquidation;
- (IV) to pay off outstanding taxes as well as taxes arising in the course of liquidation;
- (V) to settle credits and debts;
- (VI) to dispose of the remaining assets of the Company after repayment of debts;
- (VII) to represent the Company in civil proceedings.

Article 264 The liquidation committee shall notify creditors within 10 days of its establishment, and make announcements on the newspapers designated by the CSRC and on the websites of the Company and the stock exchange within 60 days of its establishment. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement.

The creditors shall explain matters relating to their rights and provide relevant evidential documents. The liquidation committee shall register the creditor's rights.

In the creditor's rights declaration period, the liquidation committee shall not make repayment to the creditors.

Article 265 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or the people's court for confirmation.

The Company shall, according to the proportion of the shares held by the shareholders, distribute the properties of the Company remaining after payment of the liquidation expenses, employees' salaries, social insurance expenses and statutory compensations, outstanding taxes, and the Company's debts.

The Company shall subsist in the course of liquidation but shall not conduct any business operations unrelated to liquidation. Before liquidation as specified in the preceding paragraphs, the assets of the Company shall not be distributed to shareholders.

Article 266 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, if it discovers that the Company's assets are insufficient to repay its debts in full, it shall immediately apply to the people's court to declare the Company bankrupt according to law.

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

Article 267 Following the completion of liquidation of the Company, the liquidation committee shall formulate a liquidation report, a revenue and expenditure statement and financial accounts in respect of the liquidation period and, after verification thereof by a certified public accountant in China, submit the same to the general meeting or the competent authority for confirmation. Within 30 days from the date of the general meeting's or the competent authority's confirmation, the liquidation committee shall submit the aforementioned documents to the company registration authority to apply for company deregistration, and announce the Company's termination.

Article 268 Any member of the liquidation committee shall dutifully and lawfully fulfill the liquidation obligation.

Any member of the liquidation committee shall not abuse his official powers to accept bribes or other unlawful gains, and not to expropriate the Company's assets.

Where any member of the liquidation committee causes any loss to the Company or the creditors with will or serious negligence, the said member shall be liable for compensation.

Article 269 Where the Company declares bankrupt according to law, bankruptcy liquidation shall be conducted pursuant to laws on bankruptcy of enterprises.

CHAPTER 19 AMENDMENT TO ARTICLES OF ASSOCIATION

Article 270 The Company may amend the Articles of Association in accordance with the laws and the Articles of Association.

Article 271 The Company shall amend the Articles of Association in any of the following circumstances:

- (I) after amendments are made to the Company Law or other relevant laws and administrative regulations, the Articles of Association run counter to the said amendments;

(II) the conditions of the Company have changed, and such change is not covered in the Articles of Association;

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

Article 272 Any amendment approved by the general meeting to the Articles of Association shall be submitted to the competent authorities for approval where necessary; changes, if any, shall be registered.

Article 273 The board of directors shall amend the Articles of Association in accordance with the resolution of the general meetings on amendment to the Articles of Association and the examination and approval opinions from relevant competent authorities.

Article 274 Where the amendments to the Articles of Association involve matters requiring disclosure by law and regulations, the amendments shall be announced as required.

Article 275 If an amendment to the Articles of Association involves matters that requires the approval from the competent supervisory authority to become effective, it shall be submitted to the competent supervisory authority for approval. If an amendment to the Articles of Association involves a registered particular of the Company, registration of the change shall be carried out in accordance with the law.

CHAPTER 20 DISPUTE RESOLUTION

Article 276 The Company shall abide by the following principles of dispute resolution:

(I) Any dispute or claim arising between holders of overseas listed foreign shares and the Company; holders of overseas listed foreign shares and the Company's directors, supervisors, general manager or other members of the senior management; or holders of overseas listed foreign shares and holders of domestic shares, in respect of any rights or obligations arising from the Articles of Association, the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company shall be submitted for arbitration.

When a dispute or claim of rights referred to in the preceding paragraph is submitted for arbitration, the entire claim or dispute must be referred to arbitration, and all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall, where such person in the Company, the Company's shareholders, directors, supervisors, general manager or other members of the senior management, comply with the arbitration.

Dispute in respect of the definition of shareholders and dispute in relation to the register of members need not be resolved by arbitration.

- (II) A claimant may elect for arbitration to be carried out either at the China International Economic and Trade Arbitration Commission in accordance with its Rules or at Hong Kong International Arbitration Center in accordance with its Securities Arbitration Rules. Once a claimant submits a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.

If a claimant elects for arbitration to be carried out at Hong Kong International Arbitration Center, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Center.

- (III) If any disputes or claims of rights are settled by way of arbitration in accordance with item (I) of this article, the laws of the PRC govern, save as otherwise provided in law and administrative regulations.
- (IV) The award of an arbitral body shall be final and conclusive and binding on all parties.

CHAPTER 21 SUPPLEMENTARY PROVISIONS

Article 277 Definitions

- (I) Controlling shareholder: refers to a shareholder who may elect a majority of directors when acting separately or consistently with others; or a shareholder who holds more than 30% of the shares externally issued by the Company when acting separately or consistently with others; or a shareholder who may exercise more than 30% of the voting rights of the Company or may control the exercising of more than 30% of the voting rights of the Company when acting separately or consistently with others; or a shareholder who factually controls the Company by other means when acting separately or consistently with others.
- (II) De facto controller: A person who is not a shareholder of the Company but can effectively control the Company through investment, agreement or other arrangement.
- (III) Connected relations: Relations between a controlling shareholder, de facto controller, Director, Supervisor or members of the senior management of the Company and the enterprise directly or indirectly controlled by the same, which relations may give rise to a transfer of interests of the Company, provided however that there should be no related party relationship between state-controlled enterprises solely because they are under the common control of the State.

Article 278 The board of directors may formulate rules of articles of association in accordance with the Articles of Association. The rules shall not conflict with the Articles of Association.

Article 279 The Articles of Association shall be executed in Chinese. Where the articles of association in any other language or version disagree with the Articles of Association, the Chinese version of Articles of Association latest approved and registered by the relevant administration for industry and commerce shall prevail.

Article 280 For the purpose of the Articles of Association, references to “more”, “within” and “less” shall include the actual figures, while references to “no more than”, “other than”, “lower than” and “more than” shall exclude the actual figures.

Article 281 The Articles of Association shall come into effect on the date of consideration and approval at the general meeting of the Company. From the effective date of the Articles of Association, the former articles of association of the Company shall automatically go out of effect. The board of directors of the Company shall be responsible for the interpretation of the Articles of Association.

Article 282 Appendixes to the Articles of Association include rules of procedure for general meetings, rules of procedure for board of directors meetings and rules of procedure for meetings of the board of Supervisors.