

# **Lianhua Supermarket Holdings Co.,Ltd.**

(A joint stock limited company registered and established in the  
People's Republic of China)

## **Articles of Association**

*(These Articles of Association are formulated in accordance with the Company Law of the People's Republic of China ("Company Law"), Proposals on Accelerating Standardized Operation of Companies Listed Overseas and Deepening Their Reforms ("Proposals"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and Other relevant regulations)*

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## Articles of Association

	<b>Chapter I General Provisions</b>
Article 1	<p>The Company is a joint stock limited company established pursuant to the <i>Company Law</i> and other applicable laws and administrative regulations of the People's Republic of China ("China").</p> <p>The Company was established by way of promotion under the Approval Document No: Hu Fu Ti Gai Shen (2001) 028 issued by the System Reform Office of Shanghai Municipal Government. The Company was registered with the Shanghai Administration for Industry and Commerce and obtained its unified social credit code: 91310000607370331G on December 18th, 2001 and was officially established.</p> <p>The promoters of the Company are: Shanghai Friendship Group Incorporated Company ("Friendship Group", with its name changed to Shanghai Bailian Group Co., Ltd), Shanghai Industrial United (Group) Commercial Network Development Company Limited ("Shanghai Industrial Commerce", with its name changed to Shanghai Bailian Commercial Brand Investment Co., Ltd.), Mitsubishi Corporation ("Mitsubishi"), Wong Sun Hing Investment Company Limited ("Wong Sun Hing") and Shanghai Liding Investment Company Limited ("Shanghai Liding").</p>
Article 2	<p>The registered name of the Company is: Chinese name: 聯華超市股份有限公司 English name: Lianhua Supermarket Holdings Co.,Ltd.</p>
Article 3	<p>The domicile of the Company is: Room 713, 7th Floor, No.1258, Zhenguang Road, Shanghai, China Postal code: 200333 Tel: 021-52629922 Fax: 021-52797976</p>

Article 4	The chairman of the Board of Directors is the legal representative of the Company, if the chairman of the Board of the Company is created or changed according to the Articles of Association, and the chairman of the Board of the Company resigns, he shall also resign as the legal representative.
Article 5	The Company is a company limited by shares existing in perpetuity.
Article 6	<p>The original Articles of Association of the Company came into force on December 18th, 2001 which is the date of establishment of the Company.</p> <p>Pursuant to the <i>Company Law</i> and other applicable laws and administrative regulations, the original Articles of Association was amended by formulation and adoption of these Articles by the shareholders' meeting of the Company.</p> <p>Upon coming into force of these Articles, the original Articles of Association of the Company shall be replaced.</p>
Article 7	As from the effective date of these Articles of Association, these Articles of Association shall become a legally binding document governing the organisation and conduct of the Company and regulating the rights and obligations between the Company and a shareholder and among shareholders.
Article 8	<p>These Articles of Association are binding on the Company, its shareholders, directors, supervisors, managers and other senior management officers. All the aforementioned persons may raise any claims relating to the affairs of the Company in accordance with these Articles.</p> <p>Shareholders may bring actions against the Company in accordance with these Articles. The Company may bring actions against the shareholders in accordance with these Articles. Shareholders may bring actions against each other in accordance with these Articles, and a shareholder may bring actions against the Company, its shareholders, directors, supervisors, managers and other senior management officers in accordance with these Articles.</p> <p>For the purpose of this Article, "actions" includes taking court proceedings or application for arbitration.</p>

Article 9	The Company's total capital is divided into shares of equal value. A shareholder shall be liable to the Company to the extent of the shares that he/she holds. The Company shall be liable for its debts to the extent of all its assets.
Article 10	Subject to the relevant laws and regulations, the Company has the power to raise fund or borrow money, including but not limited to the issue of shares or corporate bonds, and the power to grant guarantees for any third party, and mortgage or pledge its property.
Article 11	The Company is an independent enterprise legal person. All conducts of the Company shall comply with the laws and regulations of China and shall protect the legal rights and interests of its shareholders. The Company shall be subject to the jurisdiction of and protected by the laws and regulations and other applicable governmental provisions.
Article 12	The Company may invest in other companies with limited liability and joint stock companies, and the Company shall be liable for such companies in which it has invested to the extent of the amount of its investment and/or its shares held.
Article 13	The Company shall not be a shareholder with unlimited liability of other profit-making organizations.

	<b>Chapter II Purpose and Scope of Business</b>
Article 14	<p>The business purpose of the Company includes: our fundamental goal is to provide customers with products of lower price and higher quality, and serve customers in a more all-around and considerate manner. By establishing a modern enterprise system, we will further leverage the Company's business advantages and implement the national strategy. Based on the advanced merchandise procurement technology, logistics and distribution technology, information technology and marketing technology, we will form an optimal business layout and develop the Company into a nationwide chain commercial enterprise to serve the national market, build first grade brand of retailing business in China, and develop towards an international retailing enterprise group. We aim at long-term growth, implement the modern enterprise system and regulate our conduct of business in order to gain favourable economic and social benefits and realize the shareholders' maximum benefits.</p>

<p>Article 15</p>	<p>The scope of business of the Company shall be in accordance with the items approved by the registration authorities of the Company.</p> <p>The scope of business of the Company includes: wholesaling and retailing (including sale by proxy and on consignment) of household medical devices (except those in relation to “Medical Devices Enterprise Trading Permit”), electric appliances, prepackaged foods (including delicatessen and braised foods as well as chilled and frozen foods), bulk foods, ready-to-eat foods (including delicatessen and braised foods), dairy products (including infant milk powder); daily necessities, rubber and plastic products, knitting textiles, clothing, hat and shoes, furniture, craft gifts, computers, software and ancillary equipment, communication equipment; The following are limited to branch operations: raw swine products and beef and lamb products, ready-to-eat foods made on site (cooked and processed foods, cold foods dressed with sauce, barbecued foods, bread, cakes, decorative cakes and reheated foods), liquor, aquatic products, non-staple food; purchasing of agricultural by-products; engagement into the processing, grading, packaging, distribution and consultancy services, leasing of owned buildings and counters in relation to supermarkets, provision of technological services for the operation and management of commercial chain stores as well as supermarket management and agency services, as well as conducting commercial activities by means of franchising (the above-mentioned exclude the commodities subject to the State-run trade management; with regard to the commodities subject to quota and authorization management, make applications in accordance with the relevant regulations of the State). 【Projects that must be approved according to law can only carry out business activities after being approved by relevant departments.】</p>
<p>Article 16</p>	<p>Subject to a resolution adopted at a shareholders’ meeting, the approval of the competent government authorities, and changes in registration with the relevant company registration authorities, the Company may adjust its scope of business and operation or investment directions and methods in accordance with the changes in the domestic and international markets, the requirements of domestic and international business development, and the Company’s development capacity.</p>

	<b>Chapter III Shares and Registered Capital</b>
Article 17	The Company shall have ordinary shares at all time. It may have other classes of shares according to the need of the Company and subject to the registration/filing of the relevant departments authorised by the State Council.
Article 18	All the shares issued by the Company shall have a par value of RMB1.00 per share. For the purpose of these Articles, “Renminbi” or “RMB” means the legal currency of the People’s Republic of China.
Article 19	<p>Subject to the registration/filing of the competent securities authority under the State Council or other regulatory agencies, the Company may issue shares to investors inside and outside China.</p> <p>The aforementioned “investors outside China” means investors in foreign countries, Hong Kong, Macau and Taiwan regions who subscribe for shares issued by the Company; and the term “investors inside China” means investors inside China, other than the abovementioned regions, who subscribe for the shares issued by the Company.</p>
Article 20	<p>The shares issued by the Company to investors inside China and to be subscribed for in RMB shall be referred to as “domestic shares”. Shares issued by the Company to investors outside China and to be subscribed for in foreign currencies shall be referred to as “foreign shares”.</p> <p>Domestic shares that are listed in China are referred to as domestically-listed domestic shares, and the foreign shares that are listed outside China are referred to as overseas-listed foreign shares. The foreign shares that are listed neither domestically nor abroad shall be referred to as non-listed foreign shares. For the avoidance of doubts, the expression “non-listed foreign shares” referred to herein shall not include “overseas-listed foreign shares”.</p> <p>For the purpose of these Articles, “foreign currencies” means the legal currencies other than RMB of other countries or regions that are recognized by the State’s foreign exchange administration authority which can be used to pay for subscription to the shares of the Company.</p>



<p>Article 21</p>	<p>When the Company was established, it issued 415,000,000 shares of common stock, including:</p> <ol style="list-style-type: none"> <li>(1) Friendship Group subscribed for 211,640,000 shares;</li> <li>(2) Shanghai Industrial Commerce subscribed for 131,683,000 shares;</li> <li>(3) Mitsubishi subscribed for 41,900,000 shares;</li> <li>(4) Wong Sun Hing subscribes for 17,557,000 shares;</li> <li>(5) Shanghai Liding subscribed for 12,220,000 shares.</li> </ol> <p>Until the effective date of the Articles of Association, “The Company shall issue a total number of 1,119,600,000 ordinary shares, which consist of:</p> <ol style="list-style-type: none"> <li>(1) 715,397,400 domestic shares (289,661,400 shares to be held by Bailian Group Co. Ltd.; 224,208,000 by Shanghai Bailian Group Co., Limited; and 201,528,000 by Alibaba (China) Technology Co., Ltd.), and 31,602,600 non-listed foreign shares (31,602,600 by Wong Sun Hing);</li> <li>(2) total number of 372,600,000 overseas-listed foreign shares.”</li> </ol>
<p>Article 22</p>	<p>The registration capital of the Company is RMB1,119,600,000 Yuan.</p>

Article 23	<p>The Company may, according to its operation and development requirements, approve capital increase in accordance with the relevant provisions of these Articles.</p> <p>The Company may increase its capital by the following methods:</p> <p>(I) public offering of shares;</p> <p>(II) non-public offering of shares;</p> <p>(III) distribution of dividend bonus shares to existing shareholders;</p> <p>(IV) converting accumulation fund into capital;</p> <p>(V) other methods permitted by laws, administrative regulations and relevant regulatory agencies.</p>
Article 24	<p>After the increase in capital, the Company shall complete procedures for changes in registration with the company registration authorities and make a public announcement thereof.</p>
Article 25	<p>Shares in the Company may be transferred in according with law.</p>
<p><b>Chapter IV Capital Deduction and Repurchase of Shares</b></p>	
Article 26	<p>The Company may reduce its registered capital according to the provisions of these Articles.</p>

<p>Article 27</p>	<p>The Company, in reducing its registered capital, must prepare a balance sheet and an inventory of property.</p> <p>The Company shall notify its creditor(s) within ten days from the date of adopting the resolution to reduce its registered capital and shall publish a public announcement of the resolution in newspapers or the National Enterprise Credit Information Publicity System within thirty days of the said date. The creditor(s) shall, within thirty days after receiving the notice in writing, or within forty-five days of the date of public announcement for those who have not received a written notice, be entitled to require the Company to pay its debts in full or provide a corresponding guarantee.</p> <p>When the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the capital contribution or shares held by shareholders, unless otherwise provided by law or these Articles of Association.</p>
<p>Article 28</p>	<p>The Company shall not repurchase its own shares. however, except for one of the following situations:</p> <ul style="list-style-type: none"> <li>(I) reduce the registered capital of the Company;</li> <li>(II) merger with other companies which hold shares in the Company;</li> <li>(III) use shares for employee stock ownership plan or equity incentive;</li> <li>(IV) shareholders demand that the Company repurchase their shares due to objections to the Company’s merger or division resolution made at the shareholders’ meeting;</li> <li>(V) use the shares to convert corporate bonds that can be converted into shares issued by the Company; and</li> <li>(VI) maintain its value and the shareholders’ rights.</li> </ul>

	<p>Where the Company repurchases shares of the Company under the circumstances specified in Items (I) and (II) of the preceding paragraph, it shall be decided by the shareholders' meeting; Where the Company repurchases its shares under the circumstances specified in Items (III), (V) and (VI) of the preceding paragraph, it may pass a resolution at a board meeting attended by more than two thirds of the directors in accordance with the provisions of the Articles of Association or the authorization of the shareholders' meeting.</p> <p>After the Company has repurchased its shares in accordance with the provisions of the first paragraph of this article, it shall be cancelled within ten days from the date of acquisition if it falls into the circumstances of item (I); In the case of items (II) and (IV), it shall be transferred or cancelled within six months; In case of items (III), (V) and (VI), the total number of shares held by the Company shall not exceed ten percent of the total issued shares of the Company, and shall be transferred or cancelled within three years.</p> <p>Where the Company repurchases its shares under the circumstances specified in Item (III), Item (V) and Item (VI) of the first paragraph of this Article, it shall do so through open centralized trading.</p>
Article 29	<p>The Company may, upon the approval of the relevant competent State authorities, repurchase its shares in any of the following manners:</p> <ul style="list-style-type: none"> <li>(I) making a pro rata general offer of repurchase to all its shareholders;</li> <li>(II) repurchase of shares through open transactions on a securities exchange;</li> <li>(III) repurchase by an agreement outside a securities exchange.</li> <li>(IV) other methods recognized by laws, regulations, and relevant regulatory authorities.</li> </ul>

<p>Article 30</p>	<p>Where the Company repurchases its shares by an agreement outside a securities exchange, prior approval shall be obtained at the shareholders' meeting according to the provisions of these Articles. Upon prior approval of the shareholders' meeting obtained in the same manner, the Company may terminate or vary the contract concluded in the manner set forth above or waive any of its rights in the contract.</p> <p>A contract to repurchase shares referred to in the above paragraph shall include (but not limited to) agreement whereby repurchase obligations are undertaken and repurchase rights are acquired.</p>
<p>Article 31</p>	<p>After the Company has repurchased its shares in accordance with law, involving the cancellation of shares, the Company shall cancel the portion of shares repurchased within the period prescribed by laws and administrative regulations and shall apply to the original company registration authorities for registration of the changes in registered capital.</p> <p>The amount of the Company's registered capital shall be reduced by the total par value of the shares cancelled.</p> <p>After completion of the reduction in the registered capital of the Company and changes in registration with the company registration authority, a public announcement shall be made.</p>

	<b>Chapter V Financial Assistance for Share Purchase</b>
Article 32	<p>The Company shall not provide gifts, loans, guarantees or other financial assistance for others to obtain shares of the Company or its parent company, unless the Company implements an employee stock ownership plan.</p> <p>For the benefit of the Company, upon resolution of the shareholders' meeting, or the Board of Directors making a resolution in accordance with Articles of Association of the Company or the authorization of the shareholders' meeting, the Company may provide financial assistance to others to acquire shares of the Company or its parent company, but the cumulative total of financial assistance shall not exceed ten percent of the total issued shares capital. Resolutions made by the Board of Directors must be approved by more than two-thirds (including two-thirds) of all Directors.</p> <p>If a violation of the provisions of the preceding two paragraphs causes losses to the Company, the responsible Directors, Supervisors and senior managers shall bear liability for compensation.</p>
	<b>Chapter VI Share Certificates and Register of Shareholders</b>
Article 33	<p>The Company's shares shall be in registered form. Share certificates are evidence of the shares held by shareholders.</p> <p>In addition to the particulars provided for in the <i>Company Law</i>, the Company's share certificates shall include such other particulars as required to be specified by the securities exchange(s) on which the Company's shares are listed.</p>

Article 34	The share certificates shall be signed by the chairman of the Board. Where the signatures of other senior management officers of the Company are required by the securities exchange(s) on which the Company's shares are listed, the share certificates shall also be signed by such other senior management officers. The share certificates shall become effective after the Company seal is affixed thereto or printed thereon, with authorization from the Board. The signature of the chairman of the Board or of other senior management officers on the share certificates may also be in printed form.
Article 35	The Company shall establish a register of shareholders based on the vouchers provided by the securities registration agency. The register of shareholders shall be adequate evidence of the holding of the Company's shares by a shareholder.
Article 36	The Board shall fix a date as the date for the determination of share ownership required to convene a shareholders' meeting, distribute dividends, liquidation of the Company and for other acts requiring determination of share ownership. Shareholders whose names are registered in the register of shareholders at the close of business on the date of determination shall be the shareholders of the Company.
Article 37	Any person who challenges the register of shareholders and requires his (its) name to be entered into or removed from the register of shareholders may file application to a people's court with jurisdiction for correction of the register.
Article 38	Any shareholder who is registered in the register of shareholders or requires his name to be entered into the register of shareholders may apply to the Company for issuance of a replacement certificate in respect of such shares ("Relevant Shares") if his share certificate ("Original Share Certificate") is lost.
Article 39	After the Company has issued a new replacement share certificate in accordance with these Articles, the name of a bona fide purchaser to whom the new share certificate is issued or of a shareholder that is subsequently registered as the owner of the share (if a bona fide purchaser) shall not be deleted from the register of shareholders.

Article 40	The Company shall not be liable for any damages suffered by any person as a result of the cancellation of the original share certificate or the issuance of a new placement share certificate, unless the claimant is able to prove fraud on the part of the Company.
	<b>Chapter VII Rights and Obligations of Shareholders</b>
Article 41	<p>The Company's shareholders are persons lawfully holding shares of the Company and whose names are registered on the register of shareholders.</p> <p>Each share of the same class shall have the same rights.</p> <p>For the same class of shares issued at the same time, the issuance conditions and prices of each share shall be the same; Any unit or individual shall pay the same price for each share subscribed.</p>
Article 42	When the Company convenes a shareholders' meeting, distributes dividends, liquidates, or engages in other activities that require confirmation of shareholder identity, the Board or the convener of the shareholders' meeting shall determine the equity registration date. Shareholders registered after the closure of the stock market on the equity registration date shall be shareholders who enjoy relevant rights and interests.



<p>Article 43</p>	<p>The holders of shares of the Company shall enjoy the following rights:</p> <ul style="list-style-type: none"> <li>(I) to receive dividends and other forms of profit distribution on the basis of the number of shares held by them;</li> <li>(II) to be present at and exercise speaking and voting rights at shareholders' meetings in person or by proxy;</li> <li>(III) to supervise and manage the business activities of the Company, and to make suggestions and raise queries;</li> <li>(IV) to transfer shares in accordance with the provisions of laws, administrative regulations, and these Articles;</li> <li>(V) to review and copy the Articles of Association of the Company, register of shareholders (the Hong Kong branch of the register of shareholders must be available for shareholders to inspect, but may allow the Company to suspend shareholder registration procedures on terms equivalent to Article 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), minutes of shareholders' meetings, resolutions of the Board, Supervisors, publicly disclosed financial and accounting reports and other materials that should be reviewed and copied in accordance with laws and administrative regulations);</li> <li>(VI) participate in the distribution of the residual property of the Company on the basis of the number of shares held by them when the Company is terminated or liquidated;</li> <li>(VII) other rights conferred by laws, administrative regulations and these Articles.</li> </ul>
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<p>Article 44</p>	<p>The holders of shares of the Company shall have the following obligations:</p> <ul style="list-style-type: none"> <li>(I) to abide by these Articles of the Company;</li> <li>(II) to pay subscription monies in respect of the shares they have subscribed for and in accordance with the method of subscription;</li> <li>(III) other obligations as imposed by laws, administrative regulations, and these Articles.</li> </ul> <p>Shareholders shall, other than the conditions agreed upon at the time of subscription, not be liable to make any further contribution to share capital thereafter.</p>
<p><b>Chapter VIII Obligations of Controlling Shareholders to Other Shareholders</b></p>	
<p>Article 45</p>	<p>In addition to the obligations imposed by laws, administrative regulations or the listing rules of the securities exchange on which the shares of the Company are listed, controlling shareholders may not, in exerting of their shareholders' powers, make decisions prejudicial to the interests of all or part of shareholders as a result of the exercise of their voting rights set forth below:</p> <ul style="list-style-type: none"> <li>(I) to relieve the duty of directors and supervisors to act honestly in the best interest of the Company;</li> <li>(II) to approve the expropriation by a director or supervisor (for his own or another person's interests) of depriving the Company of its property in any manner, including (but not limited to) any opportunities which are in favour of the Company;</li> <li>(III) to approve the expropriation by a director or supervisor (for his own or another person's interests) to deprive other shareholders of their personal rights and interests, including (but not limited to) any right to distribution and voting, except pursuant to are structuring of the Company submitted to and adopted by a shareholders' meeting in accordance with these Articles.</li> </ul>

Article 46	<p>For the purposes of the preceding Article, the term “controlling shareholder” shall refer to a person that satisfies one of the following conditions:</p> <p>(I) he, alone or acting in concert with others, has the power to elect more than half of the directors;</p> <p>(II) he, alone or acting in concert with others, has the power to exercise or control the exercise of more than thirty percent (including thirty per cent) of the voting rights of the Company;</p> <p>(III) he, alone or acting in concert with others, holds more than thirty per cent (including thirty per cent) of the issued and outstanding shares of the Company;</p> <p>(IV) he, alone or acting in concert with others, de facto controls the Company in any other manner.</p>
<b>Chapter IX Meetings of Shareholders</b>	
Article 47	<p>The shareholders’ meeting is the Company’s authoritative organisation, which exercises its powers in accordance with law. No non-shareholders’ meetings in any form may exercise such powers in lieu of the shareholders’ meetings.</p>
Article 48	<p>The shareholders’ meeting shall exercise the following powers:</p> <p>(I) to elect and replace directors who are not staff representatives and decide on matters concerning their remunerations;</p> <p>(II) to elect and replace the supervisors who are not staff representatives and decide on matters concerning their remunerations;</p> <p>(III) to examine and approve reports of the Board;</p> <p>(IV) to examine and approve reports of the Supervisory Committee;</p> <p>(V) to examine and approve the Company’s profit distribution plan and plan for recovery of losses;</p>

- (VI) to pass resolutions concerning the increase or reduction of the Company's registered capital;
- (VII) to pass resolution on matters such as the merger, split-up, dissolution, liquidation or change of company form of the Company;
- (VIII) to pass resolution on the issuance of bonds by the Company, and authorize the Board of Directors to exercise the aforementioned powers within a certain scope;
- (IX) to pass ordinary resolution on the appointment, dismissal or termination of appointment of an accounting firm;
- (X) to amend these Articles of the Company;
- (XI) to examine and deliberate on the proposals put forward by shareholders representing more than one percent shares with voting rights;
- (XII) other matters required by the provisions of laws, administrative regulations and these Articles to be resolved at shareholders' meetings.

The shareholders' meeting may authorize the Board of Directors to decide to issue shares not exceeding 50% of the issued shares within three years, but if non monetary assets are used as capital contributions, a resolution of the shareholders' meeting shall still be required. If the Board of Directors decides to issue shares in accordance with this provision, which results in changes in the registered capital and issued shares of the Company, the amendments of this provision in the Articles of Association does not need to be voted on by the shareholders' meeting. If the Board of Directors, authorized by the shareholders' meeting, decides to issue new shares in accordance with the provisions of this clause, the resolution of the Board of Directors shall be passed by more than two-thirds (including two-thirds) of all Directors.

Article 49	Without the prior approval of a shareholders' meeting, the Company may not enter into any contract with any person other than a director, supervisor, manager or other senior management officer of the Company for the delegation of the whole business management or part of the important business management of the Company to that person.
Article 50	<p>The shareholders' meetings consist of annual meetings and extraordinary meetings and shall be convened by the Board. An annual meeting of shareholders shall be convened once a year, and shall be held within six months after the end of every fiscal year.</p> <p>The Board shall convene an extraordinary shareholders' meeting within two months of the occurrence of one of the following circumstances:</p> <ul style="list-style-type: none"> <li>(I) the number of directors is less than the number provided by the <i>Company Law</i> or less than two-thirds prescribed by these Articles;</li> <li>(II) the losses of the Company that have not been made up reach one third of the total paid-up share capital;</li> <li>(III) at the request of shareholders who individually or collectively hold more than ten percent of the Company's shares;</li> <li>(IV) the Board considers that there is a need or the Supervisory Committee proposes a meeting;</li> <li>(V) other circumstances stipulated by laws, administrative regulations, departmental rules or the Articles of Association.</li> </ul>
Article 51	When an annual shareholders' meeting is to be held by the Company, notice shall be given to shareholders twenty days before the meeting in writing. When a shareholder' extraordinary meeting is to be held by the Company, notice shall be given to shareholders fifteen days before the meeting in writing. The matters to be transacted at the meeting and the date and place of the meeting shall be notified to shareholders whose names are on the register.

Article 52	When the Company is to convene a meeting of shareholders, shareholders holding more than one percent (including one percent) of the Company's total voting shares shall be entitled to move new motions in writing to the Company. After receiving the motions, the Company shall notify other shareholders within two days and include into the agenda of the meeting the matters in the motions that comply with laws, administrative regulations and the Articles of Association of the Company and fall within the scope of duties of the shareholders' meeting, provided that such motions shall be delivered to the Company ten days before the shareholders' meeting.
Article 53	Shareholders' meetings shall not decide on the matters not specified in the notice.
Article 54	<p>The notice of a meeting of shareholders shall meet the following requirements:</p> <ul style="list-style-type: none"> <li>(I) shall be made in writing;</li> <li>(II) shall specify the place, date and time of the meeting;</li> <li>(III) shall include the matters to be transacted at the meeting;</li> <li>(IV) provide such information and explanation as are necessary for the shareholders to make wise decisions on the matters to be transacted at the meeting. This principle includes (but not limited to): when the Company proposes a merger, repurchase of shares, reorganization of share capital, or other restructuring, it shall provide the specific terms and contract (if any) in respect of the proposed transactions and earnestly explain the cause and results of the transaction;</li> <li>(V) If any director, supervisor, manager or other senior management officer is significantly interested in any matter to be transacted, the nature and extent of such conflict of interest shall be disclosed. If the effects of the matters on such director, supervisor, manager or other senior management officer as a shareholder is different from the effect on other shareholders, the difference shall be explained;</li> </ul>

	<p>(VI) It shall contain the full text of any special resolution proposed to be adopted at the meeting of shareholders;</p> <p>(VII) It shall state conspicuously that a shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and vote for and on his/her behalf, and that a proxy need not be a shareholder of the Company;</p> <p>(VIII) It shall state clearly the time and place for delivery of the replies of shareholders intending to attend the meeting and the proxy forms.</p>
Article 55	<p>All notices of shareholders' meetings shall be delivered by person or by post with postage pre-paid to all shareholders whose names were entered on the register on the date of registration (whether or not entitled to vote thereat) and to the addresses recorded in the register of shareholders. The notice of the shareholders' meeting issued to the shareholders of overseas listed foreign shares may also be published through the designated website of the Hong Kong Stock Exchange and the Company's website. Once it is announced, it is deemed that all shareholders of overseas listed shares have received the notice of the shareholders' meeting.</p> <p>For holders of domestic shares and non-listed foreign shares, the above-mentioned notice may also be given by public announcement.</p>
Article 56	<p>The accidental omission to give notice to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting and the resolutions adopted thereat.</p>

<p>Article 57</p>	<p>Any shareholder (including Hong Kong Securities Clearing Company Limited) entitled to attend and vote at a shareholders' meeting shall have the right to appoint one or more persons (who need not be shareholders) as his proxies to attend and vote for and on his behalf. The proxy or proxies may exercise the following rights according to his appointment by the shareholder:</p> <ul style="list-style-type: none"> <li>(I) the right of the shareholder to speak at the shareholders' meeting;</li> <li>(II) the right to demand a poll by himself or in conjunction with others;</li> <li>(III) to vote by hand or on a poll, provided that the proxy of a shareholder who has appointed more than one proxy may only vote on a poll.</li> </ul>
<p>Article 58</p>	<p>A shareholder shall appoint a proxy by an instrument in writing. The instrument of proxy shall be signed by the appointer or a representative authorized in writing by such appointer. Where the appointer is a legal person, the instrument of proxy shall bear the official stamp or the signatures of its directors, or persons or representatives duly authorized. The instrument of proxy shall specify the number of shares represented by the shareholder's agent, the matters represented by the agent, the authority, and the deadline for the agent to act. If more than one proxies are appointed, the instrument of proxy shall specify the number of shares represented by each proxy.</p>



<p>Article 59</p>	<p>The instrument appointing a voting proxy shall be placed at the Company’s domicile or such other place as specified in the notice of the meeting at least twenty four hours prior to the time of the meeting at which the proxy is authorised to vote. Where such instrument is signed by another person authorized by the appointer, the power of attorney or other instrument authorising the signature shall be notarized. The notarized power of attorney or other authorizing document shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other place as specified in the notice of the meeting.</p> <p>Where the appointer is a legal person, its legal representative or the person authorised by resolution of its board of directors or other decision-making body shall be entitled to attend the Company’s shareholders’ meetings as the representative of such legal person.</p> <p>If the shareholder in question is a recognized clearing house (hereinafter referred to as “recognized clearing house”) defined from time to time in the relevant clauses of Hong Kong laws or the proxy of the clearing house, it may appoint one or more person(s) as it thinks fit to act as its representative(s) at any shareholders’ meeting or creditors’ meeting. However, if more than one proxy are appointed, the instruments of proxy shall specify the number and class of shares that each proxy represents. Such duly-authorized persons may represent the recognized clearinghouse (or its proxy) to exercise the same powers as if he/she is an individual shareholder of the Company.</p>
<p>Article 60</p>	<p>Any form issued by the Board of the Company to the shareholders for use in the appointment of proxies shall allow the shareholders to elect freely to instruct their proxies in the casting of votes, in favour or against, and give instructions in respect of each matter to be transacted at the meeting. The instrument of appointment shall specify that in the absence of instructions from the shareholder, the proxy may vote according to his own will.</p>

Article 61	<p>A vote given by a proxy according to the instrument of proxy shall be valid notwithstanding the death or incapability of the appointing shareholder, revocation of the proxy or of the authority under which the proxy was executed or the transfer of the relevant shares in respect of which the proxy is given, provided that no notice in writing of such matters as aforesaid shall have been received by the Company before the commencement of the meeting in connection therewith.</p>
Article 62	<p>The resolutions of shareholders' meetings are divided into ordinary resolutions and special resolutions.</p> <p>An ordinary resolution of the shareholders' meeting shall be adopted by more than half of the voting rights held by the shareholders (including proxies) present at the meeting exercised in favour of the resolution.</p> <p>A special resolution of the shareholders' meeting shall be adopted more than two thirds of the voting rights held by the shareholders (including proxies hereof) present at the meeting exercised in favour of the resolution.</p> <p>For the purpose of this Article, if any shareholder (or its proxy), while casting votes on a resolution, abstains from voting or fails to exercise his/her voting rights in respect of the shares he/she holds, or the Listing Rules restrict any shareholder from voting for (or against) a certain resolution, such votes shall not be counted into the total votes of the shareholders present at the shareholders' meeting with regard to the specific resolution under consideration if there is any violation of relevant regulations or restrictions.</p>
Article 63	<p>On a poll, shareholders (including proxies) shall cast votes based on the number of voting shares that they represent at a shareholders' meeting. Each such share shall have one vote.</p>
Article 64	<p>Unless the chairman makes a decision in good faith and allows the resolution on purely procedural or administrative matters to be voted by a show of hands, any voting made by shareholders at the shareholders' meeting must be conducted by voting.</p>
Article 65	<p>The result of the poll shall be announced as early as possible.</p>

Article 66	During a poll, the shareholders (including proxies)having the right to two or more votes need not use all of their voting rights in favour of or against.
Article 67	In the case of an equality of votes, whether the vote is taken by a show of hands or on a poll, the chairman of the meeting shall be entitled to an additional vote. If under the relevant listing rules at the place where the Company is listed, any shareholder is required to abstain from voting on any particular resolution or restricted to vote only for or against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.
Article 68	<p>The following matters shall be resolved by ordinary resolutions at the shareholders' meetings:</p> <ul style="list-style-type: none"> <li>(I) the work reports of the Board and the Supervisory Committee;</li> <li>(II) the profit distribution plans and loss recovery plans formulated by the Board;</li> <li>(III) the removal of the members of the Board and the Supervisory Committee, their remuneration, and methods of payment of their remuneration,</li> <li>(IV) annual report of the Company;</li> <li>(V) other matters other than those prescribed by laws, administrative regulations, or these Articles to be passed by special resolutions.</li> </ul> <p>The remuneration set forth in the above item (III) shall include (but be not limited to) the compensation payable to any director or supervisor at the time of his/her removal as director or supervisor or retirement.</p> <p>Regarding the election of each director and/or supervisor, each candidate for director and supervisor shall submit a single proposal.</p>

<p>Article 69</p>	<p>The following matters shall be resolved by special resolutions at a shareholders' meetings:</p> <ul style="list-style-type: none"> <li>(I) the increase or decrease of registered capital of the Company;</li> <li>(II) the split-up, merger, dissolution and liquidation of the Company;</li> <li>(III) the amendments to these Articles;</li> <li>(IV) other matters that stipulated by laws, administrative regulations, listing rules or the Articles of Association, as well as those are resolved at the shareholders' meeting by ordinary resolutions and are considered by the shareholders to be material to the Company that are required to be passed by special resolutions.</li> </ul>
<p>Article 70</p>	<p>Shareholders demanding the convening of an extraordinary shareholders' meeting shall proceed in accordance with the following procedures:</p> <ul style="list-style-type: none"> <li>(I) Shareholders who individually or collectively hold more than ten per cent have the right to request the Board to convene an extraordinary shareholders' meeting, which shall be submitted to the Board in writing. The Board shall, in accordance with laws, administrative regulations and the Articles of Association, give written feedback on whether to agree or disagree to convene an extraordinary shareholders' meeting within ten days after receiving the request.</li> </ul> <p>If the Board agrees to convene an shareholders' extraordinary meeting, it shall issue a notice on the convening of the shareholders' meeting within five days after the resolution of the Board is made, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.</p>

	<p>(II) If the Board does not agree to convene an shareholders' extraordinary meeting or fails to provide feedback within ten days after receiving the request, shareholders who individually or collectively hold more than ten percent of the company's shares have the right to propose to the Supervisory Committee to convene an shareholders' extraordinary meeting and shall submit a request in writing to the board of supervisors.</p> <p>If the Supervisory Committee agrees to convene an shareholder's extraordinary meeting, it shall issue a notice of convening the shareholders' meeting within five days of receiving the request. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.</p> <p>(III) If the Supervisory Committee fails to issue a notice of the shareholders' meeting within the prescribed time limit, it shall be deemed that the Supervisory Committee has not convened and presided over the shareholders' meeting, and shareholders who individually or collectively hold more than ten percent of the company's shares for more than 90 consecutive days may convene and preside over it on their own.</p>
Article 71	<p>Shareholders' meeting shall be convened and presided over by the chairman of the Board. Where the chairman of the Board is unable to attend the meeting for any reason, the meeting shall be convened and presided over by the vice chairman of the Board. Where both the chairman and vice chairman are unable to attend the meeting, a director of the Company jointly elected by more than half of the directors may convene and preside over the meeting on his/her behalf and serve as the chairman of the meeting.</p>
Article 72	<p>The chairman of the meeting shall announce the voting status and results of each proposal, and decide whether or not a resolution of the shareholders' meeting has been passed. The decision of the chairman shall be final and shall be announced at the meeting and recorded in the minutes of the meeting.</p>

Article 73	<p>If the chairman of the meeting has any doubt about the result of a resolution put to the vote, he/she may count the number of votes cast. If the chairman fails to count the votes, a shareholder or proxy present at the meeting, who challenges the result announced by the chairman of the meeting shall have the right to request counting of votes immediately after such announcement, and the chairman of the meeting shall immediately count the votes.</p>
Article 74	<p>If counting of votes is held at a shareholders' meeting, the result of the counting shall be recorded in the minutes of the meeting.</p> <p>The minutes of the shareholders' meeting together with the attendance records signed by the attending shareholders and instruments of proxy shall be kept at the Company's domicile.</p> <p>The aforesaid minutes, attendance records and instruments of proxy shall not be destroyed in ten years.</p>
Article 75	<p>Shareholders may examine copies of the minutes of meetings during the office hours of the Company free of charge. If any shareholder requests for a copy of any minutes, the Company shall send a copy to him within seven days after receipt of reasonable charges.</p>
<p><b>Chapter X Board of Directors</b></p>	
Article 76	<p>The Company shall have a Board of Directors, consisting of 11 members, of which there shall be at least 3 independent non-executive directors, representing at least one-third of the Board of Directors, and the remaining members may be executive or non-executive directors. The Board shall have a chairman and a vice chairman.</p>

<p>Article 77</p>	<p>All directors shall be elected or replaced at shareholders' meetings, whose each tenure shall be three years commencing from the day when he/she is elected. Upon the expiration of the tenure, any director may be re-elected. If there are special provisions in the listing rules or laws and regulations of the place where the company's shares are listed, such provisions shall prevail.</p> <p>The intention to nominate a director and the written notice of a nominee to indicate his/her willingness to accept the nomination shall be delivered to the Company no earlier than the next day after the dispatch of the notice of the shareholders' meeting and no later than seven days prior to the date of such meeting.</p> <p>Any executive director shall enter into a service contract with the Company, pursuant to which, either default party shall be held liable for breach of contract. The effective term of such service contract shall be three years and may be extended in accordance with law. Any non-executive director or independent non-executive director shall sign confirmation of appointment with the Company.</p> <p>Directors need not hold any share in the Company.</p> <p>The chairman and vice chairman of the Board shall be appointed or removed from office by more than half of all directors. The term of office of the chairman and vice chairman is three years and may be renewed upon re-election.</p> <p>Subject to applicable laws and administrative regulations, a meeting of shareholders may pass any ordinary resolution to remove any director whose term is still effective, including any director who in the meantime serves as a manager or other management positions of the Company, provided that such removal shall not be prejudicial to any claim for compensation in accordance with any contract.</p> <p>Any director may serve concurrently as a manager or other senior management officer of the Company (except as a supervisor).</p>
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	<p>The Board shall have the power to appoint any person either to fill in the casual vacancy on the Board or as an addition to the existing Board. Any director thus appointed shall hold office until the next annual meeting of shareholders after his/her appointment and be eligible for re-election at such meeting.</p>
<p>Article 78</p>	<p>The Board shall be accountable to the shareholders' meetings and shall exercise the following powers:</p> <ul style="list-style-type: none"> <li>(I) to convene shareholders' meetings and present reports thereto;</li> <li>(II) to implement the resolutions adopted at the shareholders' meetings;</li> <li>(III) to decide on the business policies, business plans, investment plans and investment projects of the Company;</li> <li>(IV) to decide the Company's annual financial budget and final accounts;</li> <li>(V) to formulate the Company's profit distribution plans and loss recovery plans;</li> <li>(VI) to formulate the Company's plans on the increase or reduction of registered capital and the issue of corporate bonds;</li> <li>(VII) to formulate the Company's plans on merger, split-up, dissolution and change of company form;</li> <li>(VIII) to decide on the establishment of the Company's internal management organisation;</li> <li>(IX) to appoint or dismiss the manager of the Company; upon the nomination of the manager, to appoint or dismiss any deputy manager, financial officer and other senior management personnel according to the manager's nomination; and to decide on their remuneration, rewards and punishments;</li> </ul>



- (X) to establish the Company's basic management system;
- (XI) to formulate proposal for the amendments to the Company's Articles of Association;
- (XII) to draw up major acquisition or sale schemes of the Company;
- (XIII) to decide on and handle at its own discretion all matters related to the payment of interim dividends (provided that the total amount of interim dividends paid shall not exceed 30% of the Company's net profits in the first half of that year. The interim dividends with excessive amount shall be submitted for resolution by the shareholders' meetings);
- (XIV) subject to applicable laws, administrative regulations, rules and these Articles, to exercise the powers of fundraising and loan, decide on the mortgage, pledge, rent, sub-contracting, or transfer of the Company's assets, and authorize the manager to exercise the aforesaid powers set forth herein within specified scope; and
- (XV) other powers conferred by the shareholders' meetings and these Articles.

When the Board makes a resolution on any of the above-mentioned matters, except for the particulars specified in items (VI), (VII), (XI), and (XII) that require the approval of more than two thirds (including two thirds) directors or otherwise provided in these Articles of Association, other matters maybe resolved with the consent of more than half of the directors.

Before the Board of Directors makes a resolution on the following matters, it shall be approved by more than half of all members of the audit committee:

- (I) hiring and dismissing the accounting firm that undertakes the company's audit business;
- (II) the appointment and dismissal of the person in charge of finance;

	<p>(III) disclosing financial and accounting reports;</p> <p>(IV) Other matters stipulated by laws and administrative regulations.</p> <p>The Board shall exercise any power that is not specified in these Articles to be exercised by the meetings of shareholders. The Board shall abide by the provisions of these Articles and the provisions formulated from time to time by the shareholders' meetings, provided that such provisions formulated by the meetings shall not invalidate any act of the Board that was effective prior to such provisions.</p>
<p>Article 79</p>	<p>The Board, in disposing of the Company's fixed assets, shall not without the prior approval of the shareholders' meeting, dispose of or agree to dispose of any fixed assets of the Company where the aggregate of the expected value or amount of consideration for the proposed disposition and any fixed assets of the Company which have been disposed of in the period of four months immediately preceding the proposed disposition exceeds thirty-three per cent. of the value of the Company's fixed assets as shown in the last balance sheet submitted to the shareholders in shareholders' meeting.</p> <p>The disposal of fixed assets mentioned in this Article shall include an act involving some transfer of an interest in assets and exclude any act to use fixed assets as a security.</p> <p>The validity of any transaction in respect of the disposal of the Company's fixed assets shall not be affected by a breach of the first paragraph of this Article.</p>

<p>Article 80</p>	<p>The chairman of the Board shall exercise the following powers:</p> <ul style="list-style-type: none"> <li>(I) to preside over the shareholders' meetings, and convene and preside over the meetings of the Board;</li> <li>(II) to inspect the implementation of resolutions of the Board;</li> <li>(III) to endorse the securities issued by the Company;</li> <li>(IV) to endorse other important documents of the Company or to appoint one or more directors through a power of attorney to sign other important documents of the Company on its behalf;</li> <li>(V) other powers authorised by the Board.</li> </ul> <p>When the chairman of the Board is Unable to perform his duties, he may Appoint the vice chairman of the Board to exercise the powers on his behalf. If the vice chairman is also unable to perform his duties, more than half of the directors can jointly elect a director to perform his duties.</p>
<p>Article 81</p>	<p>The Board shall hold at least two meetings each year, which shall be convened by the chairman. Notice of such a meeting shall be given to all directors ten days prior to the meeting. In the event of urgent matter, upon the proposal by Shareholders representing more than one-tenth of the voting rights, more than one third (including one third) of the directors or the Supervisory Committee jointly or the by the manager, an extraordinary meeting of the Board shall be held.</p>

Article 82	<p>Meetings of the Board may be held without notice if the time and place of such meeting have been fixed by the Board before such a meeting is held. If the Board has not fixed the time and place of the meeting of the Board in advance, the chairman of the Board shall cause the Company's secretary to have the notice of the time and place of the meeting delivered in person or sent by telex, or telegraph, or fax, or express mail, or registered mail to all directors, the managers, and the chairman of the Supervisory Committee, not less than ten days and no more than thirty days before the meeting is held.</p> <p>If an interim meeting of the Board is convened in the event of urgent matters, the chairman of the Board shall cause the Company's secretary to have the notice of the time, place and mode of the interim meeting sent by telex, or telegraph, or fax or delivered in person to all directors, the managers, and the chairman of the Supervisory Committee, not less than two days and no more than ten days before the interim meeting is held.</p> <p>All notices shall be given in Chinese and contain the agenda and topics to be discussed at the meetings. If necessary, an English version of such notices may be attached.</p> <p>All notices delivered to the directors shall contain adequate information on matters to be considered at the meetings. Any director is entitled to request supplemental information. When more than one forth of the directors or more than two external directors consider the aforesaid information inadequate or not clear in reasoning, they may jointly submit a written request to postpone the meeting or to postpone the discussion of the related matter, which shall be adopted by the Board.</p> <p>Notice is deemed to be given to any director who attends the meeting without objecting, before or at the commencement of the meeting, for not receiving the notice of Board meeting.</p>
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<p>Article 83</p>	<p>Any meeting of the Board shall be convened with the presence of more than half of the directors.</p> <p>Each director is entitled to one vote. Unless otherwise expressly provided in these Articles, any resolution by the Board shall be passed by more than half of the directors.</p> <p>In the case of an equality of votes, the chairman of the Board shall be entitled to a second vote.</p> <p>Any director shall report to the Board of Directors in writing in time and may not vote, nor represent another director to vote on any resolution of a meeting of the Board regarding the company or companies or individual in which he/she is associated. Such a meeting of the Board shall be held upon the presence of more than half of all directors other than the director associated, and pass the relevant resolution with the approval of more than half of directors other than the director associated. When there are less than three non-associated directors present at the meeting of the Board, the aforesaid matter shall be referred to a meeting of shareholders of the Company.</p>
<p>Article 84</p>	<p>Directors may participate in any regular or interim meeting of the Board by means of a conference telephone or other communications equipment, through which all persons participating in the meeting can hear the other persons present clearly and talk or communicate with each other. Such participation shall constitute presence at a meeting as if the directors participating were present in person.</p>

<p>Article 85</p>	<p>Any meeting of the Board shall be attended by all directors in person. If any director is unable to attend the meeting for any reason, he/she may appoint another director by a instrument of proxy in writing to attend on his behalf. The instrument of proxy shall specify the scope of authorization.</p> <p>Any director acting as a proxy present at a meeting of the Board shall exercise the rights of the appointing director within the scope of authorization. Any director, who neither attends a meeting in person nor appoints a proxy to be present on his/her behalf, shall be deemed to have waived its rights to vote at the meeting.</p> <p>Only a director shall be appointed as the proxy of another director. Such director and the director he/she represents shall be counted separately into the quorum of the meeting he/she attends, and such director may not cast all the votes to which he/she is entitled in favour of or against any resolution. The director shall notify the Company in respect of the cancellation of the appointment of its proxy.</p>
<p>Article 86</p>	<p>All reasonable expenses incurred by the directors in attending meetings of the Board shall be paid by the Company, including the transportation expenses from the location of the director to the place of the meeting (if different from the location of the director), the travelling and accommodation expenses incurred during the meeting, the rental of the place of the meeting, and local transportation expenses, etc.</p>

Article 87	<p>All directors shall be obliged to act in good faith, perform duties with due diligence, attend the meetings of the Board conscientiously, and express their opinions on all matters in discussion clearly.</p> <p>The Board shall keep full and complete minutes of the matters examined at a meeting, and such minutes shall be signed by all directors present at the meeting and the person taking the minutes of that meeting. All directors shall be liable for all the resolutions passed by the Board. If any of the Board resolution violates the laws, administrative regulations, or these Articles and resolution of shareholders' meeting and causes serious damage to the Company, the directors who have participated in the resolution shall be liable for compensation to the Company, provided that any director who can prove that he expressed his opposition to such resolution when it was put to the vote, and that such opposition was recorded in minutes of the meeting, the director may be exempted from liability. Any director, who abstained from voting or neither attended the meeting in person nor appointed a proxy to attend shall not be exempted from liability. Any director, who had objected to the resolution during discussion but did not vote against such resolution, shall not be exempted from such liability.</p>
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Article 88	<p>Any written resolution bearing the signatures of all directors shall be deemed to be equally valid with a resolution passed at a duly-convened meeting of the Board. Such a resolution may consist of several documents in the like form, each signed by one or more directors. For the purpose of this Article, any resolution bearing the signature or name of a director, sent to the Company by telegraph, post, fax, or in person shall be deemed to be signed by such director.</p> <p>The Board of Directors has established special committees such as the Audit Committee, Strategy Committee, Nomination Committee, Remuneration and Appraisal Committee, and Environmental, Social and Governance (ESG) Committee. The relevant committees are responsible to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Independent directors should constitute the majority of the Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. The Board of Directors is responsible for formulating relevant work procedures and standardizing its operations.</p>
	<p><b>Chapter XI Secretary of the Board</b></p>
Article 89	<p>The Company shall have a secretary to the Board (“Company’s secretary”), who shall be a senior management officer of the Company.</p>



Article 90	<p>The Company’s secretary shall be a natural person with necessary expertise and experience, who shall be appointed and removed by the Board. The main duties of the secretary shall be as set forth below:</p> <p>(I) to ensure that the Company’s constitutive documents and records are complete;</p> <p>(II) to ensure that the Company prepares and submits all reports and documents required by relevant authorities (including but not limited to the administrative authorities for industry and commerce);</p> <p>(III) to ensure that the Company establishes its register of shareholders properly, and persons entitled to receive relevant records and documents from the Company do receive such records and documents in time;</p> <p>(IV) to perform other duties of a secretary as provided bylaws and these Articles (including duties required reasonably by the Board).</p>
Article 91	<p>Any director or other senior management officers of the Company may concurrently serve as the Company’s secretary. No accountant of the accounting firm appointed by the Company may concurrently hold the office of the Company’s secretary.</p> <p>Where the Company’s secretary is also a director and an act is required to be done by that director and the secretary separately, the person who is both the Company’s secretary and the director may not perform the act in both capacities.</p>
	<b>Chapter XII Manager</b>
Article 92	The Company shall have one manager, who shall be appointed or removed by the Board.

<p>Article 93</p>	<p>The manager of the Company shall be accountable to the Board and shall exercise the following powers according to the provisions of the Articles of Association of the Company or the authorization of the Board of Directors:</p> <ul style="list-style-type: none"> <li>(I) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board, and report work to the Board;</li> <li>(II) to organize the implementation of the Company’s annual business plans and investment plans;</li> <li>(III) to draw up the plan of the Company’s internal management;</li> <li>(IV) to draw up the basic management system of the Company;</li> <li>(V) to formulate the specific rules and regulations of the Company;</li> <li>(VI) to propose the employment or removal of the deputy managers and financial officers;</li> <li>(VII) to appoint or remove senior management officers of the Company other than those to be appointed or removed by the Board;</li> <li>(VIII) to convene and preside over the managers’ office meetings (on his own or by a deputy manager appointed by him), which shall be attended by the manager, deputy managers, and other senior management officers;</li> <li>(IX) to decide on the rewards and penalties, promotion or demotion, pay rise or cut, appointment, employment, removal, and dismissal of employees of the Company;</li> <li>(X) other powers prescribed by these Articles and conferred by the Board.</li> </ul>
<p>Article 94</p>	<p>The manager shall sit in on the meetings of the Board, but non-director manager shall have no voting rights at such meetings.</p>

Article 95	The Company's manager shall exercise his/her powers in good faith and diligently according to the provisions of laws, administrative regulations and these Articles.
Article 96	The manager and deputy managers shall not, while exercising his/her powers, alter the resolutions of the meetings of shareholders and the Board, nor transcend the scope of his/her powers.
	<b>Chapter XIII Supervisory Committee</b>
Article 97	<p>The Company shall have a Supervisory Committee.</p> <p>The Supervisory Committee shall be responsible for the supervision over the Board, directors, the manager, and other senior management officers of the Company, and prevent them from misusing their powers or infringing on the rights and interests of shareholders, the Company, and the Company's employees.</p>
Article 98	<p>The Supervisory Committee shall consist of three supervisors, one of whom shall serve as the chairman of the Supervisory Committee. The tenure of office of a supervisor is three years and may serve consecutive terms if re-elected upon the expiration of his term.</p> <p>The appointment and removal of the chairman of the Supervisory Committee shall take effect upon a resolution adopted by more than half of the supervisors.</p>
Article 99	The Supervisory Committee shall consist of two members representing the shareholders and one member representing employees of the Company. The supervisor representing the shareholders shall be elected and removed at the meetings of shareholders, and the supervisor representing the employees shall be democratically elected and removed from office by the employees of the Company.
Article 100	The directors, the manager and other senior management officers (including but not limited to financial officers) shall not serve concurrently as a supervisor.

Article 101	The Supervisory Committee shall hold meetings at least twice a year, and convene meetings at least once every six months, which shall be convened by the chairman of the Supervisory Committee. Supervisors may propose to hold an extraordinary meeting of the Supervisors Committee.
Article 102	<p>The Supervisory Committee shall be accountable to the meetings of shareholders and shall exercise the following powers in accordance with law:</p> <ul style="list-style-type: none"> <li>(I) to inspect the financial affairs of the Company;</li> <li>(II) to monitor the acts of the directors, the manager, and other senior management officers so as to guard against the violation of laws, administrative regulations, or these Articles of the Company in the course of the performance of their duties;</li> <li>(III) to require the directors, the manager, and other senior management officers to rectify their behaviour when their conduct is harmful to the interests of the Company;</li> <li>(IV) to verify the financial reports, business reports and profit distribution plans and other financial information proposed to be submitted by the Board to the meetings of shareholders, and in the case of doubt, may appoint a certified public accountant and a certified auditor, in the name of the Company, to assist in reviewing the same;</li> <li>(V) to propose convening of extraordinary meetings of shareholders;</li> <li>(VI) to represent the Company in the negotiation with or bring a lawsuit against any director;</li> <li>(VII) other powers prescribed by these Articles of Association of the Company;</li> </ul> <p>The supervisors shall sit in on the meetings of the Board.</p>

Article 103	<p>The general meetings of supervisors shall be convened upon the presence of more than half of the supervisors.</p> <p>The resolutions of the Supervisory Committee shall be passed upon the favorable votes of more than half of the supervisors.</p> <p>The voting on the resolution of the Supervisory Committee shall be one person, one vote.</p>
Article 104	<p>All reasonable expenses incurred by the Supervisory Committee in employing attorneys, certified public accountants and certified auditors in the exercise of its powers shall be paid by the Company.</p>
Article 105	<p>All reasonable expenses incurred by a supervisor in attending meetings of the Supervisory Committee shall be paid by the Company, including transportation expenses from the location of the supervisor to the place of the meeting(if different from the location of the supervisor), the traveling and accommodation fees during the meeting, the rental of the place of meeting and local transportation expenses.</p>
Article 106	<p>Supervisors shall perform their duties of supervision according to the provisions of the laws, administrative regulations and these Articles of Association of the Company.</p>

	<b>Chapter XIV Qualifications and Obligations of Directors, Supervisors, Managers, and Other Senior Management Officers</b>
<p>Article 107</p>	<p>The following persons may not serve as a director, supervisor, manager or any other senior management officer of the Company in any of the following circumstances:</p> <ul style="list-style-type: none"> <li>(I) an individual who has no civil capacity or restricted civil capacity;</li> <li>(II) persons who were committed the offences of corruption, bribery, infringement of properties, misappropriation of properties, or sabotaging the social and economical order, and have been punished, or have been deprived of their political rights, in each case where less than five years have elapsed since the date of completion of the execution of such punishment or deprivation, or have been sentenced to probation less than two years since the probation period expires;</li> <li>(III) persons who were directors, or factory managers or manager of a company or enterprise which has become bankrupt and liquidated as a result of improper operation and mismanagement, and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of the completion of the liquidation of such company or enterprise;</li> <li>(IV) persons who were a former legal representative of a company or enterprise which had its business license revoked or to be ordered to close due to a violation of law and who were personally liable, where less than three years have elapsed since the date of the revocation of such business license or be ordered to close;</li> <li>(V) persons were listed as executor of dishonesty by the people’s court who have a relatively large amount of debt outstanding and not repaid when due;</li> <li>(VI) persons who are under criminal investigation by the judicial authority for violation of the criminal law which is not yet concluded;</li> </ul>

	<p>(VII) persons who are ineligible for enterprise leadership according to laws and administrative regulations;</p> <p>(VIII) a non-natural person;</p> <p>(IX) persons who have been convicted by the competent authority of offences involving fraud or dishonesty in violation of the provision of the relevant securities regulations, where less than five years has elapsed since the date of such ruling; and</p> <p>(X) any public servants, unless permitted by laws and administrative regulations.</p> <p>If the Company elects, appoints directors, supervisors, or hires senior management personnel in violation of the provisions of the preceding paragraph, the election, appointment, or appointment shall be invalid.</p> <p>If a director, supervisor, or senior management member experiences any of the situations listed in the first paragraph of this Article of Association during their tenure, the Company shall dismiss them from their positions.</p>
Article 108	<p>The validity of an act of a director, manager, or other senior management officers of the Company on behalf of the Company towards a bona fide third party shall not be affected by any irregularity in his/her current position, election or qualifications.</p>

<p>Article 109</p>	<p>In addition to the obligations imposed by laws, administrative regulations, or the listing rules of the securities exchange(s) where the Company's shares are listed, the directors, supervisors, the manager, and other senior management officers of the Company shall also have the following obligations towards each shareholder in the exercise of the powers granted to them by the Company:</p> <ul style="list-style-type: none"> <li>(I) not to cause the Company to act beyond the scope of business stipulated in its business license;</li> <li>(II) to act honestly in the best interests of the Company;</li> <li>(III) not to deprive the Company of its property in any way, including (but not limited to) any opportunity that is favorable to the Company;</li> <li>(IV) not to deprive the shareholders of their individual rights or interests, including (but not limited to) the rights to distribution and voting rights, except restructuring of the Company submitted for approval at a shareholders' meeting according to these Articles.</li> </ul>
<p>Article 110</p>	<p>The directors, supervisors, the manager and other senior management officers of the Company, having a diligent obligation to the company, shall have the obligation, in the exercise of their rights or the discharge of their obligations, to perform their due acts and reasonable attention with care, diligence, and skills in the best interests of the Company as a prudent person and a management officer shall do under similar circumstances.</p> <p>Where the controlling shareholder or actual controller of the Company does not serve as a director of the Company but actually carries out the Company's affairs, the provisions of the preceding two paragraphs shall apply.</p>



Article 111	<p>The directors, supervisors, manager and other senior management officers of the Company must, having a loyal obligation to the company, in the exercise of their duties, abide by the principles of honesty and credibility, and shall not use their authority to seek illegitimate benefits where their personal interests conflict with the interests of the Company. This principle shall include (but not be limited to) the fulfillment of the following obligations:</p> <ul style="list-style-type: none"><li>(I) to act honestly in the best interests of the Company;</li><li>(II) to exercise their powers within the scope of functions and powers and not to act beyond such powers;</li><li>(III) to personally exercise the discretions invested in him/her, not to allow himself/herself to be manipulated by another person, and not to delegate the discretions to another person unless otherwise permitted by laws and administrative regulations or with the consent of any shareholders' meeting that has been informed;</li><li>(IV) to be equally and fairly to the holders;</li><li>(V) not to conclude a contract or enter into a transaction or arrangement with the Company, except as otherwise provided in these Articles of Association of the Company or with the consent of any shareholders' meeting that has been informed;</li><li>(VI) not to use the Company's property for his/her own benefits in any way without the consent of any shareholders' meeting that has been informed;</li><li>(VII) not to use his/her functions and powers as a means to accept bribes or other forms of illegal income, and not to illegally appropriate the Company's properties in any way, including (but not limited to) any opportunity that is favourable to the Company;</li></ul>
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	<p>(VIII) not to accept commissions in connection with any transaction of the Company without the consent of the shareholders' meeting that has been informed;</p> <p>(IX) to abide by the Articles of Association of the Company, perform duties faithfully, protect the interests of the Company, and not to use his/her position and powers in the Company to seek personal gains;</p> <p>(X) not to compete with the Company in any way without the consent of the shareholders' meeting that has been informed;</p> <p>(XI) not to embezzle the Company's funds or lend them to others, not to deposit the Company's assets in any account opened in his/her own or in any other person's name, not to use the Company's assets as security for the debts of the Company's shareholder or other individual;</p> <p>(XII) not to disclose any confidential information in relation to the Company that is acquired by him/her during his/her office without the consent of any shareholders' meeting that has been informed, and not to use such information for any purpose other than the interests of the Company. Provided that such information may be disclosed to the court or other government authorities in any of the following circumstances:</p> <ol style="list-style-type: none"><li>(1) provided by laws;</li><li>(2) required for public interest;</li><li>(3) required in the own interests of such director, supervisor, manager or other senior management officers of the Company.</li></ol>
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<p>Article 112</p>	<p>Any director, supervisor, manager and other senior management officers of the Company shall not cite the following persons or organizations (“connected persons”) to do what such director, supervisor, manager or other senior management officers may not do:</p> <ul style="list-style-type: none"> <li>(I) the spouse or minor child of such director, supervisor, manager or other senior management officers of the Company;</li> <li>(II) the trustee of a director, supervisor, manager or other senior management officers of the Company or of any person referred to in item (I) hereof;</li> <li>(III) the partner of such director, supervisor, manager or other senior management officers of the Company or of any person referred to in item (I) and (II) hereof;</li> <li>(IV) the Company over which a director, supervisor, manager or other senior management officers of the Company, alone or jointly with any person referred to in items (I), (II) and (III) hereof or any other director, supervisor, manager, or other senior management officers of the Company, has actual control;</li> <li>(V) any director, supervisor, manager or other senior management officers of any company being controlled as referred to in item (IV) hereof.</li> </ul>
<p>Article 113</p>	<p>The obligation to be honest that is imposed on the directors, supervisors, manager and other senior management officers of the Company shall not necessarily cease with the termination of their respective office. The confidentiality obligation in relation to the Company’s trade secret shall remain effective upon the termination of their respective office. The term of continuance of other obligations shall be decided upon in accordance with the principle of fairness, depending on the time lapse between the termination of their respective office and the occurrence of the matter against such obligations, as well as the circumstances and conditions under which the relationship between the aforesaid persons and the Company terminates.</p>

Article 114	Any director, supervisor, the manager or other senior management officers of the Company may be relieved from the liability for a specific breach of obligations after the shareholders' meeting has been informed, except in circumstances as specified in Article 45 hereof.
Article 115	<p>If a director, supervisor, the manager or other senior management officers of the Company is, directly or indirectly, materially interested in a contract, transaction or arrangement (except the employment contracts between such persons and the Company) that the Company has concluded or plans to conclude, he/she shall disclose the nature and extent of the interest to the Board at the earliest opportunity, whether or not the matter concerned is normally subject to the approval of the Board, and be approved by the Board of Directors or shareholders' meeting in accordance with the provisions of the Articles of Association of the Company.</p> <p>Directors, supervisors, managers, and other senior management officers of the Company shall not use their positions to seek business opportunities belonging to the Company for themselves or others, except for any of the following situations:</p> <ul style="list-style-type: none"> <li>(I) report to the Board of Directors or shareholders and approve the resolution in accordance with the provisions of the Articles of Association Company;</li> <li>(II) the Company cannot take advantage of this business opportunity according to laws, administrative regulations, or the articles of association the Company.</li> </ul> <p>The interested director shall not vote on the resolution of any meeting of the Board in respect of the contract, transaction, seeking business opportunities or arrangement that he/she or his/her associate is materially interested, nor be counted into the quorum of such meeting.</p>

	<p>Unless the interested director, supervisor, manager, or other senior management officers of the Company has disclosed such interest to the Board as required under the preceding paragraph hereof, and the matter interested has been approved by the Board at a meeting where he/she neither voted nor was counted into the quorum, the Company shall have the right to void the contract, transaction or arrangement, except that the other party is a bona fide party acting without knowledge of the breach of obligation by the director, supervisor, manager, or any other senior management officers concerned.</p> <p>If the number of disinterested Directors present at the Board meeting is less than three, the matter shall be submitted to the shareholders' meeting for review.</p> <p>If spouses, parents, children and siblings of any director, supervisor, manager, or other senior management officers of the Company, as well as companies directly or indirectly controlled by the aforementioned persons, as well as other related relationships with such director, supervisor, manager, or other senior management officers of the Company, have an interest in entering into a contract, conducting transactions or arranging arrangements with the Company, the provisions of the preceding paragraph shall apply.</p> <p>The income of directors, supervisors, managers and other senior management personnel of the Company who violate the provisions of the preceding paragraph shall be owned by the Company.</p>
Article 116	<p>If a director, supervisor, the manager or other senior management officers of the Company gives a written notice to the Board before the conclusion of any contract, transaction, or arrangement is first considered by the Company, stating that due to the contents listed in the notice, he/she is interested in such contract, transaction, or arrangement to be made subsequently by the Company, such director, supervisor, manager, or other senior management officers shall be deemed, in so far as what is stated in the notice, to have made the disclosure provided in the Articles of Association hereof.</p>

Article 117	The Company shall not in any manner pay tax on behalf of its director, supervisor, manager or other senior management officers.
Article 118	<p>The Company shall not, directly or indirectly, provide a loan to or loan security for any director, supervisor, manager or other senior management officers of the Company or its parent Company, or any connected person of the aforesaid person. The provisions of the preceding paragraph shall not apply to the following circumstances:</p> <p>(I) the provision by the Company of a loan to or loan security for its subsidiaries;</p> <p>(II) the provision of a loan to, or loan security, or other funds by the Company for a director, supervisor, the manager, or other senior management officers of the Company under an employment contract between such person and the Company approved by a shareholders' meeting, so as to enable him/her to pay the expenses incurred for the sake of the Company or for the performance of duties herein prescribed;</p> <p>(III) the provision of a loan to or loan security by the Company for a relevant director, supervisor, the manager, or other senior management officers of the Company or for a connected person thereof on normal commercial terms if the ordinary business scope of the Company includes the lending of money or the provision of loan security.</p>
Article 119	A loan provided by the Company in violation of the preceding Article shall be repayable immediately by the recipient of such loan, regardless of the terms of the loan.
Article 120	<p>The Company shall not be forced to perform a loan security provided in violation of the first paragraph of the Articles of Association of the Company, except:</p> <p>(I) where the loan is provided to a connected person of a director, supervisor, the manager or other senior management officers of the Company or its parent company and the loan provider is not aware of the fact;</p> <p>(II) the collateral provided by the Company has been lawfully sold by the loan provider to a bona fide purchaser.</p>

Article 121	For the purposes of the preceding Article herein, the term “security” shall include an act whereby a guarantor assumes liability or provides property to guarantee or secure the performance of obligations by an obligator.
Article 122	<p>If a director, supervisor, the manager or other senior management officers of the Company breaches his obligations to the Company, the Company shall, in addition to any rights and remedies provided by laws and administrative regulations, have the right to:</p> <ul style="list-style-type: none"> <li>(I) require the relevant director, supervisor, manager, or other senior management officers to compensate for any loss sustained by the Company as a consequence of his/her dereliction of duties;</li> <li>(II) rescind any contract or transaction concluded by the Company with the relevant director, supervisor, manager or other senior management officers, or with a third party (where such third party is aware or should be aware that the director, supervisor, manager or other senior management officers representing the Company was in breach of his obligations to the Company);</li> <li>(III) require the relevant director, supervisor, manager or other senior management officers to surrender the gains derived from the breach of his/her obligations;</li> <li>(IV) to recover any funds received by the relevant director, supervisor, manager or other senior management officers that should have been received by the Company, including (but not limited to) commissions;</li> <li>(V) require the relevant director, supervisor, manager, or other senior management officers to return the interest earned or to be possibly earned on the funds that should have been given to the Company;</li> <li>(VI) take legal proceedings to rule that any property obtained by the relevant director, supervisor, manager, or other senior management officers as a result of breach of his/her obligations shall belong to the Company.</li> </ul>

Article 123	<p>The Company shall conclude a written contract with each director and supervisor of the Company in respect of his/her remunerations, subject to the prior approval of the shareholders' meeting. The aforesaid remunerations hereof shall include:</p> <ul style="list-style-type: none"><li>(I) remunerations in respect of his/her service as a director, supervisor, or any other senior management officers of the Company;</li><li>(II) remunerations in respect of his/her service as a director, supervisor, or any other senior management officers of a subsidiary of the Company;</li><li>(III) remunerations otherwise in connection with the management of the Company or any subsidiary thereof;</li><li>(IV) funds as compensation for his/her loss of office or retirement to the aforementioned directors and supervisors.</li></ul> <p>A director or supervisor may not sue the Company for any benefits due to him/her on the basis of the above-mentioned matters, except under an aforesaid contract.</p>
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<p>Article 124</p>	<p>The Company shall specify in the contract concluded with any of its director or supervisor in respect of his/her remunerations that in the event of a takeover of the Company, a director or supervisor of the Company shall, subject to prior approval of a shareholders’ meeting, have the right to receive the compensation or other funds obtainable for loss of office or retirement. For the purposes of the preceding paragraph, the term “a takeover of the Company” shall refer to any of the following circumstances:</p> <p>(I) any person makes a general offer of takeover to all the shareholders;</p> <p>(II) any person makes a general offer of take over so that the offer or becomes a controlling shareholder as defined in Article 46 hereof.</p> <p>If the relevant director or supervisor fails to comply with this Article, any fund received by him/her shall belong to the shareholders that have sold their shares as a result of their acceptance of the above-mentioned offer, and the expenses incurred in the distribution of such funds on a pro rata basis shall be borne by the relevant director or supervisor and may not be paid out of such funds.</p>
<p>Article 125</p>	<p>The Company explores to establish a fault-tolerant mechanism that encourages innovations. Subject to compliance with laws, regulations and internal rules and regulations of the Company, where the innovative projects approved by the Board fail to achieve the expected goals and the relevant personnel are diligent and responsible and do not seek for personal gains, the relevant personnel will not be subject to negative evaluation and will be exempt from relevant liabilities according to laws.</p>
<p>Article 126</p>	<p>If the Directors, managers, and other senior management officers of the Company perform their duties and cause damage to others, the Company shall bear the liability for compensation; If the directors, managers, and other senior management officers of the Company have intentional or gross negligence, they shall also be liable for compensation.</p>

Article 127	If the controlling shareholder or actual controller of the Company instructs the directors, managers and other senior management officers of the Company to engage in acts that harm the interests of the Company or shareholders, they shall be jointly and severally liable with the directors, managers and other senior management officers of the Company.
	<b>Chapter XV Accounting System and Profit Distribution</b>
Article 128	The Company shall formulate its own financial and accounting systems in accordance with laws, administrative regulations, and provisions of relevant state departments.
Article 129	The Company shall prepare financial accounting reports at the end of each fiscal year. Such reports shall be audited by an accounting firm in accordance with law.
Article 130	The fiscal year of the Company shall be based on the calendar year, that is, the period from the 1st day of January to the 31st day of December shall be one fiscal year.
Article 131	The Company shall use RMB as the currency of its accounts, and the accounts shall be prepared in Chinese.
Article 132	The Board of the Company shall place before the shareholders at each shareholders' annual meeting such financial reports as relevant laws, administrative regulations, and normative documents promulgated by the local government and the competent authorities require the Company to prepare.
Article 133	<p>The financial reports of the Company shall be made available in the Company for inspection by shareholders twenty days prior to an annual meeting of shareholders. Each shareholder of the Company shall have the right to obtain a copy of such financial reports referred to herein.</p> <p>The Company shall send the aforesaid reports, at least twenty-one days prior to a shareholders' annual meeting by pre-paid mail by post to all shareholders of overseas-listed foreign shares at the address of each shareholder recorded in the register of shareholders.</p>

Article 134	The financial statements of the Company shall be prepared not only in accordance with Chinese accounting standards, laws and regulations, but also in accordance with international accounting standards or the accounting standards of the place(s) outside the People's Republic of China where the Company's shares are listed. If there are major differences in the financial statements prepared in accordance with these two sets of accounting standards, such differences shall be stated in notes appended to such financial statements. In the Company's distribution of after-tax profits in a given fiscal year, the smaller amount of after-tax profits in either of the above-mentioned financial statements shall prevail.
Article 135	The interim results or financial information published or disclose by the Company shall be prepared in accordance with China's accounting standards, laws and regulations as well as international accounting standards, or the accounting standards of the place outside the People's Republic of China where the Company's shares are listed.
Article 136	<p>The Company shall publish two financial reports each fiscal year, namely an interim financial report within 60 days after the end of the first six months of the fiscal year and an annual financial report published within 120 days after the end of the fiscal year.</p> <p>If the securities exchanges where the Company's shares are listed have more stringent provisions on the matter mentioned in the preceding paragraph, the Company shall abide by such provisions.</p>
Article 137	The Company may not establish any account books other than statutory account books.
Article 138	<p>The capital common reserve shall include the following funds:</p> <p>(I) the premium obtained from the issue of shares in excess of the par value;</p> <p>(II) the amount of proceeds from the issuance of shares with no par value are not included in the registered capital;</p> <p>(III) other revenue required by the authorities under the State Council in charge of finance to be included in the capital common reserve.</p>

Article 139	<p>The Company may distribute dividends in the following forms:</p> <p>(I) cash;</p> <p>(II) shares.</p> <p>The dividends in respect of domestic shares shall be paid in RMB. The dividends in respect of non- listed foreign shares shall be paid in foreign currencies, and dividends in respect of overseas-listed foreign shares shall be paid in the currency at the place where such shares are listed.</p>
Article 140	<p>The Company shall appoint recipient agents for the holders of overseas-listed foreign shares to collect on behalf of the relevant shareholders the dividends distributed and other funds payable in respect of such shares.</p> <p>The recipient agents thus appointed by the Company shall meet the requirements of the laws of the place(s) or the relevant regulations of the securities exchange(s), where such shares are listed. Where the Company appoints recipient agents of dividends in respect of overseas-listed foreign shares that are listed in Hong Kong, such agents shall be qualified trust companies Registered in accordance with the Trustee Ordinance of Hong Kong.</p>
	<p><b>Chapter XVI Appointment and Dismissal of Accounting Firm</b></p>
Article 141	<p>The Company shall appoint an independent accounting firm that complies with relevant state regulations to audit the annual and other financial reports of the Company.</p> <p>The first accounting firm of the Company may be appointed by the first founding meeting prior to the first annual meeting of shareholders. Such accounting firm shall hold office until the conclusion of the first annual meeting of shareholders.</p> <p>If the founding meeting does not exercise its powers under the preceding paragraph, the Board shall exercise such powers.</p>

Article 142	The term of office of an accounting firm appointed by the Company shall commence from the end of the annual meeting of shareholders on which the accounting firm is appointed until the end of the next annual meeting of shareholders.
Article 143	The Company's appointment and dismissal of an accounting firm must be decided by the shareholders' meeting, and the Board shall not appoint an accounting firm before the decision of the shareholders' meeting.
Article 144	The remuneration, audit fees or method of determining remuneration for an accounting firm shall be decided upon by a shareholders' meeting.
Article 145	When the Company dismisses or does not renew the appointment of an accounting firm, it shall give advance notice to the accounting firm. The accounting firm shall have the right to present its views to the shareholders' meeting on which such dismissal is considered. Where an accounting firm tenders its resignation, it shall inform the shareholders' meeting of whether there is any irregularity in the Company.
	<b>Chapter XVII Insurance</b>
Article 146	The Company shall take out various types of insurances from insurance companies that are registered in China and permitted by the laws of China to provide insurance coverage to companies in China.
Article 147	The type of insurance coverage, the sum insured, term of insurance and other terms of insurance shall be discussed and decided on by the Board in accordance with the practices of other companies in the same industry, and the practice and legal requirements in China.
	<b>Chapter XVIII Labor Management</b>
Article 148	The Company shall formulate its systems such as labor management, personnel management, wages and welfare and social insurance in accordance with the laws, regulations and relevant administrative rules of China.

Article 149	The Company shall adopt employment-basis system for its various levels of management staff and contract-basis system for normal staff. The Company may, at its own direction, determine its staff allocation and employ or dismiss management staff and normal staff in accordance with the provisions of relevant laws and contracts.
Article 150	The Company shall have the right to decide on, at its own direction, the wage incomes and welfare benefits of the management personnel at all levels and employees of all categories based on its economic benefits and within the scope prescribed by relevant administrative rules and regulations.
Article 151	The Company shall, pursuant to the relevant administrative rules and regulations of China's central and local government, arrange medical, retirement, and unemployment insurances for the Company's management personnel and employees, and carry out the relevant provisions of the laws, regulations and rules on the labor insurance of retired and unemployed workers.
	<b>Chapter XIX Party Organizations and Organizations of the Trade Union and Communist Youth League</b>
	<b>Section I Institutional Setting of the Party Organization</b>
Article 152	In accordance with the provisions of the <i>Company Law</i> and the Constitution of the Communist Party of China, the Company shall set up Party organizations at all levels and their disciplinary inspection agencies, and the Company is required to provide necessary supports for the normal activities of Party organizations at all levels.
Article 153	The Company shall have one secretary to the Party Committee and several other Party Committee members, and shall setup a Commission for Discipline Inspection in accordance with regulations.
Article 154	The institutional setting of the Party Committee of the Company, the division of responsibilities, and the tasks of work are incorporated into the Company's management system, management rules, and work norms. The Company shall be equipped with sufficient number of staff in charge of Party affairs and guarantee the working funds for the Party organizations.

	<b>Section II Powers of the Party Organizations and the Exercise Thereof</b>
Article 155	When the Board decides on material issues of the Company, it shall communicate with the Party Committee in advance and seek opinions of the Party Committee.
Article 156	The Party Committee of the Company shall formulate working rules including rules of procedure to clarify the principles, scope, organization, execution and supervision in relation to the consideration of matters by the Party Committee. The system and mechanism in which the Party organizations participate in material issues shall be formed to support the exercise of powers by the Board, the Supervisory Committee and the management according to laws.
	<b>Section III Organizations of the Trade Union and Communist Youth League</b>
Article 157	In accordance with the Constitution of the Communist Youth League of China, the Company shall set up the organizations of the Communist Youth League at all levels to carry out the activities of the organizations of the Communist Youth League and guide the members of the Communist Youth League to proactively participate in the Company's reform, innovation and development. The Company shall provide necessary conditions for the activities of the organizations of the Communist Youth League at all levels.
Article 158	<p>The employees of the Company have the right to set up a Trade Union and engage in the activities of the Trade Union in accordance with the Trade Union Law of the People's Republic of China. The activities organized by the Trade Union shall be carried out beyond the normal working hours unless otherwise specified by the Board.</p> <p>When the Company studies and decides on major issues related to restructuring, dissolution, bankruptcy application, or business operations, and formulates important rules and regulations, it should listen to the opinions of the trade union of the Company, and listen to the opinions and suggestions of employees through the employee representative assembly or other forms.</p>

<b>Chapter XX Merger and Split-up</b>	
Article 159	<p>The merger or split-up of the Company shall require the preparation of a proposal by the Board, which after being adopted in accordance with the procedures specified in these Articles, shall go through relevant examination and approval procedures in accordance with law. Shareholders that oppose such merger or split-up proposal shall be entitled to require the Company or shareholders who are in favour of such proposal to purchase their shares at a fair price. The content of the resolutions approving the merger or split-up of the Company shall be compiled in a special document or inspection by shareholders.</p> <p>If the price paid by the Company for merger does not exceed 10% of the Company's net assets, it may not be decided by the shareholders' meeting, but it shall be decided by the Board of Directors.</p>
Article 160	<p>The merger of the Company may take the form of either merger by absorption or merger by new establishment.</p> <p>In the case of a merger of the Company, the parties to the merger shall enter into a merger agreement and prepare balance sheets and a property list in respect of the Company. Furthermore, the Company shall notify its creditors within a period of ten days from the date on which the merger resolution is passed and publish announcements on such merger on newspapers or the National Enterprise Credit Information Publicity System within thirty days thereafter.</p> <p>When the Company is merged, the creditor's rights and debts of the merged parties shall be inherited by the surviving or newly established company after the merger.</p>



<p>Article 161</p>	<p>Where the Company is to be split up, its property shall be divided accordingly.</p> <p>In the case of the split-up of the Company, the parties to the split-up shall enter into a division agreement and prepare balance sheets and a property list in respect of the Company. The Company shall notify its creditors within a period often days from the date on which the split-up resolution is passed and publish announcements on such split-up on newspapers or the National Enterprise Credit Information Publicity System within thirty days thereafter.</p> <p>Debts owed by the Company prior to the split-up shall be assumed by the companies in existence as a result of the split-up in accordance with the agreement concluded. However, unless otherwise agreed in the written agreement reached between the Company and creditors on debt settlement before division.</p>
<p>Article 162</p>	<p>Where the merger or division of the Company involves a change in registered particulars, such change shall be registered with the company registration authorities in accordance with law. Where the Company is dissolved, it shall cancel its registration in accordance with law. Where a new company is established, its establishment shall be registered in accordance with law.</p>

	<b>Chapter XXI Dissolution and Liquidation</b>
Article 163	<p>The Company shall be dissolved and liquidated in accordance with law in any of the following circumstances:</p> <ul style="list-style-type: none"> <li>(I) if the business period specified in the Articles of Association expires or other reasons for dissolution specified in the Articles of Association occur;</li> <li>(II) if a shareholders' meeting resolves to dissolve the Company;</li> <li>(III) if dissolution is necessary as a result of the merger or split-up of the Company;</li> <li>(IV) if the business license of the Company is revoked, ordered to close down or revoked in accordance with law;</li> <li>(V) if the Company encounters serious difficulties in its operation and management, and its continued existence will cause significant losses to the interests of shareholders, which cannot be resolved through other means, shareholders holding more than ten percent of the voting rights of all shareholders of the Company may request the people's court to dissolve the Company.</li> </ul> <p>In the event of the dissolution of the Company as specified in the preceding paragraph, it shall announce the dissolution of the Company through the National Enterprise Credit Information Publicity System within ten days.</p>

<p>Article 164</p>	<p>Where the Company is to be dissolved pursuant to item (I), item (II), item (IV) and item (V) of the preceding Article, the Board of Directors shall be the Company's liquidation obligor, it shall establish a liquidation committee within fifteen days from the date when the cause of dissolution appears, and the liquidation shall begin. The liquidation committee is composed of directors, unless the shareholders' meeting decides to elect another person.</p> <p>If the liquidation obligor fails to perform liquidation obligations in a timely manner and causes losses to the company or creditors, he shall be liable for compensation.</p> <p>If a liquidation committee is not established for liquidation within the time limit or failure to liquidate after establishing a liquidation committee, interested parties may apply to the people's court to designate relevant personnel to form a liquidation committee for liquidation. The people's court shall accept the application and promptly organize a liquidation committee to carry out the liquidation.</p> <p>If the Company falls under the circumstances specified in item (1) and item (2) of the preceding Article, and the property has not been distributed to shareholders, it may continue to exist by amending its Articles of Association or by resolution of the shareholders' meeting.</p> <p>Amendments to the Company's Articles of Association or resolution of the shareholders' meeting in accordance with the provisions of the preceding paragraph shall be approved by a special resolution of the shareholders attending the shareholders' meeting.</p>
<p>Article 165</p>	<p>The liquidation committee shall notify creditors within a period often days from the date of its establishment and publish announcements on newspapers or the National Enterprise Credit Information Publicity System on the liquidation at least three times within sixty days. The creditors' rights shall be registered by the liquidation committee.</p> <p>During the period of declaring creditor's rights, the liquidation committee shall not pay off creditors.</p>

Article 166	<p>The liquidation committee shall exercise the following powers during the liquidation:</p> <ul style="list-style-type: none"><li>(I) to thoroughly examine the property of the Company and prepare a balance sheet and property list respectively;</li><li>(II) to notify the creditors by a notice and public announcement;</li><li>(III) to dispose of and liquidate relevant unfinished business of the Company;</li><li>(IV) to pay all outstanding taxes in full and taxes incurred during the liquidation process;</li><li>(V) to clear up claims and debts;</li><li>(VI) to distribute the residual property after full payment of the Company's debts;</li><li>(VII) to participate in any civil litigation on behalf of the Company.</li></ul>
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<p>Article 167</p>	<p>After the liquidation committee has thoroughly examined the company's property and prepared a balance sheet and a property list, it shall formulate a liquidation plan and submit such plan to the shareholders' meeting or the people's court in charge for confirmation. Payment of debts out of the Company's property shall be made in the following order of priority:</p> <ul style="list-style-type: none"> <li>(I) payment of all liquidation expenses;</li> <li>(II) payment of wages, social insurance expenses and statutory compensation;</li> <li>(III) payment of all outstanding taxes in full;</li> <li>(IV) to clear up the Company's debts.</li> </ul> <p>The Company's residual property after full payment in accordance with the provisions of the preceding paragraph shall be distributed to shareholders pursuant to the proportion of shares held by each shareholder.</p> <p>During liquidation, the Company shall survive, but shall not engage in business activities unrelated to liquidation. The Company's property shall not be distributed to shareholders before it is paid off in accordance with the provisions of the preceding paragraph.</p>
<p>Article 168</p>	<p>The liquidation committee, having thoroughly examined the Company's property and prepared a balance sheet and a property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court for bankruptcy liquidation according to law.</p> <p>After the people's court accepts the bankruptcy application, the liquidation committee shall transfer the liquidation affairs to the bankruptcy administrator designated by the people's court.</p>

Article 169	Following the completion of liquidation, the liquidation committee shall formulate a liquidation report, submit the liquidation report to the shareholders' meeting or the people's court for confirmation, and the liquidation committee shall deliver the liquidation report to the registration authorities of the Company, apply for cancellation of the Company's registration, and publicly announce the Company's termination.
Article 170	<p>Members of the liquidation committee shall perform liquidation duties, and have the obligation of loyalty and diligence.</p> <p>Members of the liquidation committee who neglects to perform liquidation duties and causes losses to the company shall be liable for compensation; Members of the liquidation committee shall be liable for compensation if they cause losses to the Company or creditors due to intentional or gross negligence.</p>
Article 171	If the Company is declared bankrupt in accordance with the law, bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.
	<b>Chapter XXII Procedures for Amendments to the Articles of Association</b>
Article 172	The Company may amend its Articles of Association in accordance with laws, administrative regulations and these Articles.
Article 173	Where an amendment to the Company's Articles of Association involves matters of company registration, any change in registration shall be handled in accordance with law.

	<b>Chapter XXIII Settlement of Disputes</b>
Article 174	<p>The Company shall comply with the following rules in the settlement of disputes:</p> <p>(I) If any dispute or claim concerning the business of the Company on the basis of the rights or obligations provided for in these Articles, or the <i>Company Law</i>, or in relevant laws or administrative regulations arises between a holder of shares and the Company, or between a holder of shares and a director, or a supervisor, or the manager, or other senior management officers of the Company, or between a holder of shares and a holder of shares, such dispute or claim shall be referred by the parties concerned to arbitration for settlement.</p> <p>When a dispute or claim as described above herein is referred to arbitration, such dispute or claim shall be in its entirety, and all persons, being the Company, or any shareholders, directors, supervisors, the manger, or other senior management officers of the Company, that have a cause of action due to the same facts or whose involvement is necessary for the settlement of such dispute or claim, shall abide by arbitration.</p> <p>Disputes concerning the definition of shareholders and the register of shareholders may not be required to be settled by means of arbitration.</p>

	<p>(II) A dispute or claim submitted for arbitration may be arbitrated, at the option of the arbitration applicant, by either the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. After the arbitration applicant submits the dispute or claim for arbitration, the other party concerned shall carry out arbitration in the arbitration institution selected by the applicant.</p> <p>If the arbitration applicant elects arbitration by the Hong Kong International Arbitration Centre, either party to the dispute or claim may request the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Centre.</p> <p>(III) If any disputes or claims referred to in item (I) herein are settled by way of arbitration, the laws of China shall apply, save as otherwise provided in laws and administrative regulations.</p> <p>(IV) The decision of the arbitration institution shall be final and binding on all parties.</p>
	<p><b>Chapter XXIV Notice</b></p>
<p>Article 175</p>	<p>All notices, information or written statements from the Company to the holders of overseas-listed foreign shares shall be delivered personally to the registered address of each shareholder, or sent by post to the address of each shareholder recorded in the register of shareholders.</p> <p>All notices from the Company to shareholders other than the holders of overseas-listed foreign shares shall be delivered personally to the registered address of every shareholder, or sent by post to the address of every shareholder recorded in the register of shareholders, or announced on one or more newspapers designated by the securities regulatory authorities under the State Council. Upon the publication of such announcement, all shareholders other than the holders of overseas-listed foreign shares shall be deemed to have received the relevant notice.</p>



Article 176	Where a notice is to be served by post, serve of the notice shall be deemed to have been effected only if it is clearly addressed, with the recipient's name clearly written and postage pre-paid, and put in an envelope before being posted. Such envelope containing the notice shall be deemed to have been received by the relevant shareholder twenty four hours after the envelope is posted.
Article 177	Any notices, documents, information or written statement from the shareholders or directors to the Company shall be delivered personally or sent by registered mail to the legal address of the Company.
Article 178	The shareholders or directors of the Company who want to prove that certain notices, documents, materials, or written statements have been sent to the Company shall provide evidential materials showing that such notices, documents, materials, or written statements have been sent to the Company by normal methods prescribed in the Articles of Association hereof within designated time, specifically, the provision of receipt confirmation in the case of delivery by person, and in the case of delivery by post, the provision of evidence showing that the relevant mail, clearly addressed, with recipient's name clearly written and the postage pre-paid, has been sent to the right address.
<b>Chapter XXVI Interpretation and Definition</b>	
Article 179	<p>These Articles of Association are made and shall be interpreted in accordance with the <i>Company Law, Proposals, Listing Rules</i> and other applicable laws and administrative regulations. If any term herein is in contradiction to the aforesaid laws and administrative regulations, the provisions of such laws and administrative regulations shall prevail.</p> <p>The right to interpret these Articles shall be vested in the Board of the Company. Matters not covered in these Articles shall be submitted by the Board to the meetings of shareholders for resolution.</p>
Article 180	These Articles of Association is written in both Chinese and English and the Chinese version shall prevail.
Article 181	In these Articles, the following words and expressions have the meanings set out below, unless the context requires otherwise:

“Board”	the Board of Directors of the Company
“chairman of the Board”	the chairman of the Board of Directors
“China” and “the State”	the People’s Republic of China
“Company”	the Company, Lianhua Supermarket Holdings Co., Ltd.
“Company Law”	the Company Law of the People’s Republic of China
“Company’s domicile”	the legal address of the Company at 7th Floor, No.1258, Zhenguang Road, Shanghai, China
“director”	any director of the Company
“HK\$”	the official currency of Hong Kong
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“ordinary share”	any domestic share, non-listed foreign share, or overseas-listed foreign share
“RMB”	the official currency of China
“secretary of the Company”	the secretary of the Company appointed by the Board of Directors
“these Articles”	the Articles of Association of the Company
“accounting firm”	has the same meaning as the “auditor” referred to in the Listing Rules of The Stock Exchange of Hong Kong Limited

# *The original version of the Articles of Association of the Company (“AOA”) is in Chinese, and the English version of the AOA is the translation from the Chinese original. Should there be any discrepancy between the Chinese and English versions of the AOA, the Chinese version shall prevail.*