

QYUNS THERAPEUTICS CO., LTD.

ARTICLES OF ASSOCIATION

June 2025

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CHAPTER 1 GENERAL PROVISIONS

- Article 1 To safeguard the legitimate rights and interests of Qyuns Therapeutics Co., Ltd. (hereinafter referred to as the “Company”), its shareholders, staff and creditors, and to regulate the organization and activities of the Company, the Articles of Association have been formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Accounting Law of the People’s Republic of China (hereinafter referred to as the “Accounting Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (hereinafter referred to as the “Trial Administrative Measures”), the Guidelines for Articles of Association of Listed Companies (hereinafter referred to as the “Guidelines for Articles of Association”), the Reply of the State Council on Adjusting the Notice Period for the General Meeting of Shareholders and Other Matters Applicable to Companies Listed Abroad (hereinafter referred to as the “Reply”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), Securities and Futures Ordinance and other relevant laws, administrative regulations, departmental rules, normative documents and requirements of relevant regulatory authorities.
- Article 2 The Company is incorporated as a joint stock company with limited liability through overall change of Qyuns Therapeutics Co., Ltd. (江蘇荃信生物醫藥有限公司) in accordance with the Company Law and other relevant laws, administrative regulations, departmental rules, normative documents and requirements of relevant regulatory authorities of the People’s Republic of China (hereinafter referred to as the “PRC”, and excluding, for the purpose of the Articles of Association, the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), the Macau Special Administrative Region (hereinafter referred to as “Macau”) and Taiwan).
- Qyuns Therapeutics Co., Ltd. was registered with the Administration for Market Regulation of Taizhou City in June 2015 and obtained a business license, with the unified social credit code being 913212913461089756.
- Article 3 On July 19, 2023, the Company completed the filing with the China Securities Regulatory Commission to issue 12,046,400 ordinary shares listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) overseas (hereinafter referred to as “H Shares”). The H Shares are listed on the Hong Kong Stock Exchange from March 20, 2024 (hereinafter referred to as the “Initial Public Offering of H Shares”).
- Article 4 Registered name of the Company: Chinese (in full): 江蘇荃信生物醫藥股份有限公司 English (in full): Qyuns Therapeutics Co., Ltd.
- Article 5 Domicile of the Company is Room 1310, Building 1, No. 907 Yaocheng Avenue, Taizhou, Jiangsu Province, PRC. Postal Code: 225300.
- Article 6 The registered capital of the Company was RMB222,071,600.
- Article 7 The Company is a joint stock limited company with permanent existence.
- Article 8 The Company’s legal representative is the general manager of the Company.

If the general manager who serves as the legal representative resigns, he/she shall be deemed to have resigned as the legal representative at the same time.

If the legal representative resigns, the Company shall appoint a new legal representative within 30 days from the date of resignation of the legal representative.

The legal consequences of civil activities performed by the authorized representative in the name of the Company shall be borne by the Company.

The limitation on the functions and powers of the authorized representative in the Articles of Association or by the general meeting shall not be asserted against a bona fide counterpart.

Where the authorized representative causes damage to any other person in the performance of his/her duties, the Company shall bear civil liability for such damage. The Company may, after bearing such civil liability, seek indemnification from the authorized representative at fault in accordance with laws or the Articles of Association.

Article 9 The liability of a shareholder to the Company shall be limited to the shares subscribed for by that shareholder. The Company shall be held liable for its debts with all of its assets.

Article 10 The Articles of Association have been adopted by a special resolution at the general meeting of the Company and shall become effective. From its effective date, the articles of association previously filed with the company registration authority shall automatically become invalid.

From its effective date, the Articles of Association shall become a legally binding document regulating the Company's organization and activities, as well as the rights and obligations between the Company and its shareholders and among its shareholders.

Pursuant to the Articles of Association, a shareholder may take legal action against other shareholders, the directors, supervisors and senior management of the Company and the Company, and the Company may take legal action against its shareholders, directors, supervisors and senior management.

Article 11 The term "senior management" as mentioned in the Articles of Association refer to the general manager, the deputy general manager, the chief financial officer, the secretary to the board of directors of the Company and other persons recognized by the board of directors.

Article 12 The Company shall establish a communist party organization and carry out party-related activities in accordance with the provisions of the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities of the party organization.

CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 13 The objectives of business of the Company are to develop, produce, and sell high-quality biopharmaceuticals in accordance with the provisions of national laws, regulations, and policies, making full use of various resources of the Company, maximizing the economic and social benefits of the Company, and seeking legitimate interests for all shareholders and employees.

Article 14 As registered according to laws, the Company's scope of business is: manufacturing of biological drugs, technology development, technology transfer, technology consultation and

technology services of biopharmaceuticals, self-operated and proxy import and export of commodities and technologies (except for commodities and technologies that are restricted or prohibited from import and export by the state) (Business activities subject to approval in accordance with the laws can only be carried out after approval by relevant authorities).

The business scope referred to in the preceding paragraph shall be subject to the registration with the company registration authority.

CHAPTER 3 SHARES

Section 1 Issuance of Shares

Article 15 The Company's shares shall be in the form of registered share certificates.

Article 16 The issuance of shares by the Company shall adhere to the principle of openness, equality and fairness. Shares of the same class shall have the same rights.

All shares of the same class issued at the same time shall be issued under the same conditions and at the same price; the same price shall be paid for each share subscribed for by the subscriber.

Article 17 All shares with par value issued by the Company shall be denominated in RMB with each share having a par value of RMB1.00.

Article 18 Upon completion of the necessary procedures stipulated in the relevant laws, regulations and normative documents, the Company may issue shares to domestic investors and foreign investors.

Article 19 The ordinary shares issued by the Company that are not listed on any stock exchange are unlisted shares. Holders of the unlisted shares and the H Shares of the Company have equal rights in respect of any distribution made in the form of dividends or other forms.

Article 20 The total number of shares of the Company at the time of its establishment was 166,480,000 shares, all of which are ordinary shares. The number of shares held by the promoters and their shareholding percentage are as follows:

NO.	Name of promoter	Number of shares held (share)	Percentage of shareholding	Method of capital contribution
1	Hangzhou Quanyi Investment Management Partnership (General Partnership) (杭州奎毅投資管理合夥企業 (普通合夥))	40,000,000	24.03%	Conversion of net assets into shares
2	Shenzhen Qianhai Efung Taihe Equity Investment Fund Enterprise (Limited Partnership) (深圳市前海倚鋒太和股權投資基金企業 (有限合夥))	3,500,000	2.10%	Conversion of net assets into shares

3	Taizhou China Medical City Rongjianda Venture Capital Co., Ltd. (泰州中國醫藥城融健達創業投資有限公司)	7,500,000	4.51%	Conversion of net assets into shares
4	Taizhou Jianxin Venture Capital Co., Ltd. (泰州健鑫創業投資有限公司)	7,500,000	4.51%	Conversion of net assets into shares
5	Nanjing Tongren Boda Equity Investment Center (Limited Partnership) (南京同人博達股權投資中心 (有限合夥))	5,000,000	3.00%	Conversion of net assets into shares
6	Shanghai Quanyou Fanyue Investment Management Partnership (Limited Partnership) (上海荃友凡悅投資管理合夥企業 (有限合夥))	5,000,000	3.00%	Conversion of net assets into shares
7	Shanghai Shuochen Investment Management Co., Ltd. (上海碩臣投資管理有限公司)	5,000,000	3.00%	Conversion of net assets into shares
8	Nanjing Yuzhijia Pharmaceutical Technology Partnership (Limited Partnership) (南京裕之華醫藥科技合夥企業 (有限合夥))	2,000,000	1.20%	Conversion of net assets into shares
9	Taizhou Hongtai Health Investment Management Center (Limited Partnership) (泰州洪泰健康投資管理中心 (有限合夥))	18,750,000	11.26%	Conversion of net assets into shares
10	Suzhou Hefu Ruitai Equity Investment Center (Limited Partnership) (蘇州合富瑞泰股權投資中心 (有限合夥))	3,750,000	2.25%	Conversion of net assets into shares
11	Shenzhen Triwise Rozman Phase II Investment Partnership (Limited Partnership) (深圳勤智羅茲曼二期投資合夥企業 (有限合夥))	1,250,000	0.75%	Conversion of net assets into shares
12	Shenzhen Triwise Kangxin Venture Capital Partnership (Limited Partnership) (深圳勤智康信創業投資合夥企業 (有限合夥))	1,250,000	0.75%	Conversion of net assets into shares
13	Shenzhen Lucky-source III	3,230,000	1.94%	Conversion of

	Venture Capital Center (Limited Partnership) (深圳瑞享源叁號創業投資中心 (有限合夥))			net assets into shares
14	Gongqingcheng Jiayin Lucky-source Equity Investment Partnership (Limited Partnership) (共青城佳銀瑞享源股權投資合夥企業 (有限合夥))	1,250,000	0.75%	Conversion of net assets into shares
15	Shenzhen Lucky-source IV Venture Capital Center (Limited Partnership) (深圳瑞享源肆號創業投資中心 (有限合夥))	4,500,000	2.70%	Conversion of net assets into shares
16	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (杭州中美華東製藥有限公司)	35,900,000	21.56%	Conversion of net assets into shares
17	MATRIX PARTNERS CHINA VI HONG KONG LIMITED	10,920,000	6.56%	Conversion of net assets into shares
18	Suzhou Guanhong Venture Capital Center (Limited Partnership) (蘇州冠鴻創業投資中心 (有限合夥))	6,540,000	3.93%	Conversion of net assets into shares
19	Shenzhen Yuanzhi Fuhai New Industry II Investment Enterprise (Limited Partnership) (深圳遠致富海新興產業二期投資企業 (有限合夥))	730,000	0.44%	Conversion of net assets into shares
20	Xinyu Tongchuang Guosheng Science and Innovation Industry Investment Partnership (Limited Partnership) (新余市同創國盛科創產業投資合夥企業 (有限合夥))	1,450,000	0.87%	Conversion of net assets into shares
21	Everest No. 37 (Shenzhen) Venture Capital Center (Limited Partnership) (朗瑪三十七號 (深圳) 創業投資中心 (有限合夥))	730,000	0.44%	Conversion of net assets into shares
22	Shenzhen Triwise Detai New Technology Venture Capital Enterprise (Limited Partnership) (深圳勤智德泰新科技創業投資企業 (有限合夥))	730,000	0.44%	Conversion of net assets into shares
Total		166,480,000	100.00%	—

- Article 21 Upon the completion of the Initial Public Offering of H Shares, the share capital of the Company is 222,071,600 shares, with a share capital structure of: 17,322,400 unlisted shares and 204,749,200 H Shares.
- Article 22 The Company or its subsidiaries (including affiliates of the Company) shall not provide any financial assistance by way of gift, advance, guarantee, compensation or borrowings to enable others to acquire shares of the Company or its parent company, except when the Company implements the employee stock ownership plan.

For the benefit of the Company, the Company may, upon a resolution by the general meeting, or a resolution by the Board of Directors in accordance with the Articles of Association or the authorization of the general meeting, provide financial assistance for others to acquire the shares of the Company or its parent company, provided that the total accumulative amount of the financial assistance shall not exceed 10% of the total issued share capital. A resolution made by the Board of Directors shall be approved by more than two-thirds of all directors.

A holding subsidiary of the Company shall not acquire shares of the Company. If a holding subsidiary of the Company holds shares of the Company due to a merger, exercise of a pledge, or other reasons, it shall not exercise the voting rights corresponding to the shares held and shall promptly dispose of the shares of the related company.

Section 2 Increase, Decrease and Repurchase of Shares

- Article 23 The Company may increase capital based on the needs of operation and development and in accordance with the requirements of laws and regulations and resolution at the general meeting by way of the following:
- (1) Offering of shares to unspecified objects;
 - (2) Offering of shares to specified objects;
 - (3) Distribution of bonus shares to existing shareholders;
 - (4) Conversion of reserves into share capital;
 - (5) Other methods required by laws, administrative regulations and normative documents, China Securities Regulatory Commission and the securities regulatory authorities in the place where the Company's shares are listed.
- If the general meeting authorizes the Board of Directors to decide on the issuance of new shares, the resolution of the Board of Directors shall be adopted by more than two-thirds of all directors.
- Article 24 The Company may decrease its registered capital. The Company shall decrease its registered capital pursuant to the Company Law, other relevant regulations and the Articles of Association.
- Article 25 The Company shall not acquire its own shares, except under one of the following circumstances without violating laws, regulations, the Hong Kong Listing Rules and the provisions of the Articles of Association:
- (1) Decreasing the Company's registered capital;

- (2) Merging with other companies holding the Company's shares;
- (3) Using shares for the employee stock ownership plan or as equity incentives;
- (4) Requesting the Company to buy back its shares from shareholders who vote against any resolutions adopted at the general meeting concerning the merger and division of the Company;
- (5) Converting shares into corporate bonds issued by the Company which are convertible to shares of the Company;
- (6) Necessary for the Company to maintain the Company's value and shareholders' equity;
- (7) Other circumstances permitted by laws, administrative regulations, departmental rules, normative documents and the Hong Kong Listing Rules.

Article 26 When the Company acquires its own shares, it may conduct by way of public centralized transaction or other methods recognized by relevant laws, administrative regulations, normative documents and the securities regulatory authorities in the place where the Company's shares are listed.

If the Company acquires its own shares under the circumstances specified in items (3), (5) and (6) of Article 25 of the Articles of Association, the acquisition shall be made through a public centralized transaction.

Article 27 If the Company acquires its own shares under the circumstances specified in items (1) and (2) of Article 25 of the Articles of Association, it shall be subject to resolution at the general meeting. If the Company acquires its own shares under the circumstances specified in items (3), (5) and (6) of Article 25 of the Articles of Association, a resolution of a meeting of the board of directors shall be made by more than two-thirds of directors attending the meeting according to the provisions of the Articles of Association or as authorized by the general meeting.

Subject to Article 25 of the Articles of Association, where the Company acquires its shares under the circumstances prescribed in item (1) thereof, such shares shall be cancelled within ten days from the date of acquisition. Where the shares are acquired under the circumstances prescribed in items (2) and (4) thereof, such shares shall be transferred or cancelled within six months. Where the shares are acquired under the circumstances prescribed in items (3), (5) and (6) thereof, the total number of the shares held by the Company shall not exceed 10% of the total issued shares, and such shares shall be transferred or cancelled within three years.

Where there are other requirements under laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and securities regulatory authorities in the place where the Company's shares are listed regarding the relevant matters related to the aforementioned share repurchase, such requirements shall prevail.

Section 3 Transfer of Shares

Article 28 The shares of the Company shall be transferred in accordance with laws.

Save as otherwise required by laws, administrative regulations, departmental rules, normative documents, the securities regulatory authorities in the place where the Company's shares are listed and the Hong Kong Stock Exchange, the fully-paid shares of the Company

are not subject to any restrictions on transfer rights and can be freely transferred without any lien. Transfer of the H Shares listed in Hong Kong shall be registered with the local share registrar designated by the Company in Hong Kong.

Article 29 Shareholders holding domestic unlisted shares of the Company applying to convert their domestic unlisted shares into overseas-listed shares for listing and circulating on the Hong Kong Stock Exchange shall comply with applicable requirements of the China Securities Regulatory Commission and entrust the Company to file with the China Securities Regulatory Commission. Application for the conversion of domestic unlisted shares into overseas-listed shares for listing and circulating on the Hong Kong Stock Exchange by shareholders is not subject to the approval of general meeting.

Upon completion of the necessary procedures stipulated in the other relevant laws, regulations and normative documents, holders of the unlisted shares of the Company may transfer all or part of their unlisted shares to overseas investors for listing and trading on any overseas stock exchange, or convert all or part of their unlisted shares into H Shares for listing and trading on any overseas stock exchange. The listing and trading of shares on any overseas stock exchange above shall comply with the regulatory procedures, regulations and requirements of the overseas securities market.

The domestic unlisted shares referred to in this Article represent the shares issued by a domestic enterprise but not listed or traded on any domestic stock exchange.

Article 30 All fully-paid H Shares may be transferred freely. The board of directors may refuse to recognize any instrument of transfer without any reason unless the following conditions are satisfied:

- (1) the instrument of transfer only relates to the H Shares;
- (2) the stamp duty required by the laws of Hong Kong for the instrument of transfer has been paid;
- (3) the relevant share certificates and evidence reasonably required by the board of directors showing that the transferor has the rights to transfer such shares shall be provided;
- (4) the relevant shares are free of any lien in favor of the Company;
- (5) No transfer shall be made to minors or persons of unsound mind or others under legal disability.

If the Company refuses to register the share transfer, the Company shall notify the transferor and transferee in writing of such refusal of share transfer registration within two months from the date of the formal transfer application.

Article 31 All transfers of the H Shares shall be effected by transfer document in writing in a general or common form or in any other form acceptable to the board of directors, including the standard transfer form or form of transfer specified by the Hong Kong Stock Exchange from time to time. The transfer document in writing may be signed by hand or (where the transferor or transferee is a corporation) stamped with the Company's seal. If the transferor or transferee is a recognized clearing house as defined by the relevant provisions that come into effect from time to time according to the laws of Hong Kong or its nominee, the transfer document in writing may be signed by hand or in printed form.

All transfer documents shall be maintained at the legal address of the Company, the address of the share registrar or such places as the board of directors may designate from time to time.

Article 32 Subject to the Articles of Association and all other applicable requirements and upon transfer of the Company's shares, the transferees of the shares will become the holders of such shares with their names being listed in the register of shareholders.

Where two or more persons are registered as joint holders of any shares, they shall be deemed as the common holders of the said shares subject to the following restrictions:

(1) the joint holders of any share shall jointly and individually assume the liabilities for all amounts payable for relevant share;

(2) where any of the joint holders deceases, only the surviving joint holders shall be deemed by the Company as having title to the relevant shares, but the board of directors may, for the purpose of modifying the register of shareholders, require the death certificate documents of the relevant holder as it deems appropriate;

(3) for joint holders of any share, any of them may attend the general meeting of the Company or exercise the voting rights of the shares (regardless of attendance in person or by proxy). In the event of more than one joint holder attending the general meeting in person or by proxy, only the attendee whose name appears first in the register of shareholders among such joint holders is entitled to vote for such shares, receive notices from the Company, and attend or exercise all of the voting rights relating to the shares at the general meetings of the Company, and any notice served on the aforesaid person shall be deemed to have been served on all joint holders of the relevant shares;

(4) where one of the joint holders delivers a receipt to the Company as regards to any dividends, bonus or return of capital which shall be distributed to such joint holders, such receipt shall be deemed as a valid receipt from such joint holders to the Company.

Article 33 The Company shall not accept its own shares as the subject of a pledge.

Article 34 The shares of the Company held by the promoters shall not be transferred within one year after the establishment of the Company. The shares issued before the Company's public offering of shares shall not be transferred within one year from the date when the Company's shares are listed and traded on the stock exchange

The directors, supervisors and senior management of the Company shall report to the Company their shareholdings and changes thereof and shall not transfer more than 25% of the total number of shares of the same class held by them in the Company per annum during their terms of office determined at the time of appointment. These shares of the Company held thereby shall not be transferred within one year from the date when the Company's shares are listed and traded. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate services with the Company.

If shares are pledged within the restricted transfer period stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge right within the restricted transfer period.

Where there are other requirements on the transfer restrictions of H Shares by the securities regulatory authorities in the place where the Company's shares are listed, such requirements

shall prevail.

Article 35 Where a shareholder holding more than 5% of the Company's shares, director, supervisor or senior management sells the Company's shares held within six months after purchase, or buys them again within six months after sale, the proceeds thus earned shall belong to the Company, and the board of directors of the Company shall recover the proceeds, except for the securities company holding more than 5% of the shares as a result of underwriting the purchase of the remaining shares after the sale and other circumstances specified by relevant regulatory authorities.

The shares or other securities with equity nature held by directors, supervisors, senior management and individual shareholders referred to in the preceding paragraph include the shares held by their spouses, parents and children, as well as shares held through the account of others.

If the board of directors of the Company does not abide by the provisions of the first paragraph of this Article, shareholders shall have the right to request the board of directors to do so within 30 days. If the board of directors of the Company fails to do so within the said period, shareholders shall have the right to file a lawsuit directly with the People's Court in its own name for the benefit of the Company.

If the board of directors of the Company does not abide by the provisions of the first paragraph of this Article, the responsible directors shall be jointly and severally liable according to law.

If H Shares are involved in the transfer stated in this article, the relevant regulations of the securities regulatory authorities in the place where the Company's shares are listed shall be observed.

CHAPTER 4 SHAREHOLDERS AND GENERAL MEETING

Section 1 Shareholders

Article 36 The Company shall establish a register of shareholders according to the certificates provided by the securities registration and clearing institution. The register of shareholders is sufficient evidence that shareholders hold shares in the Company. Shareholders shall enjoy rights and assume obligations according to the types of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

Any shareholder who is registered in or any person who requests to have its name entered in the register of shareholders, if whose share certificate is lost, may apply to the Company for replacement of the share certificate in respect of such shares. If a holder of the domestic unlisted shares of the Company loses its share certificate and applies for replacement, it shall be dealt with in accordance with the relevant requirements of the Company Law. If a holder of the H Shares loses its share certificate and applies for replacement, it may be dealt with in accordance with laws, rules of the stock exchange or other relevant regulations of the place where the original register of shareholders of the H Shares is maintained.

The Company may, in accordance with the memorandums of understanding and agreements

between the securities authority of the State Council and overseas securities regulatory authorities, maintain its original copy of the register of shareholders of H Shares outside PRC and entrust an overseas agent to maintain such register. The original copy of the register of shareholders of H Shares listed in Hong Kong shall be kept in Hong Kong.

The Company shall maintain a duplicate of the register of shareholders of H Shares at the Company's domicile. The appointed overseas agent shall ensure the consistency between the original copy and the duplicate of register of shareholders of H Shares at all times.

If there is any inconsistency between the original copy and the duplicate of the register of shareholders of H Shares, the original copy shall prevail.

Article 37 When the Company convenes a general meeting, distributes dividends, undergoes liquidation and engages in other activities requiring the identification of shareholders, the board of directors or the convener of the general meeting shall decide the share registration date. Shareholders whose names appear on the register of shareholders after the close of business on the share registration date shall be the shareholders entitled to the relevant rights and interests.

Article 38 The shareholders of the Company shall have the following rights:

(1) to receive dividends and profit distributions in any other form in proportion to the shares they hold;

(2) to lawfully require, hold, convene, preside over or attend general meetings either in person or by proxy and exercise the corresponding speaking and voting right;

(3) to supervise, make recommendations or make inquiries about the operations of the Company;

(4) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, relevant regulations of the securities regulatory authorities in the place where the Company's shares are listed, and the Articles of Association;

(5) to inspect and copy the Articles of Association after paying the cost, the register of shareholders, stubs of corporate bonds, minutes of general meetings of shareholders, resolutions of the board of directors, resolutions of the supervisory committee, and financial and accounting reports;

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;

(7) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;

(8) other rights stipulated by laws, administrative regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association.

Subject to compliance with applicable laws, administrative regulations and securities regulatory rules in the place where the shares of the Company are listed, the Company may reject the requests if the content to be inspected and copied involves the business secrets

and inside information of the Company or the personal privacy of relevant personnel.

Article 39 A shareholder severally or jointly holding more than 3% of shares of the Company for over 180 consecutive days may request to inspect the Company's accounting books and vouchers by submitting a written request stating the purpose. If the Company has reasonable grounds to believe that the shareholder's request serves an improper purpose and may harm the Company's legitimate interests, it may refuse the inspection. The Company must respond to the shareholder in writing within 15 days from the date of receiving the written request, providing reasons for the refusal. If the inspection is denied, the shareholder may initiate legal proceedings in the People's Court.

A shareholder may appoint an accounting firm, law firm or other intermediary agencies to inspect the materials specified in the preceding paragraph.

Shareholders and the accounting firms, law firms and other intermediary organizations commissioned by them to inspect or reproduce the relevant materials shall comply with the laws and administrative regulations on the protection of state secrets, commercial secrets, personal privacy and personal information.

Where shareholders request to inspect or reproduce materials related to wholly-owned subsidiaries of the Company, the provisions of items 5 of Article 38 of the Articles of Association and this Article shall apply.

Article 40 If any shareholder proposes to inspect the relevant information mentioned in the preceding article or asks for information pursuant to the Article 38(5) and Article 39 of the Articles of Association, the said shareholder shall provide the Company with written documents bearing evidence of the class and number of shares held by the said shareholder, and the Company will provide the information as required by the said shareholder upon verification of the said shareholder's identity.

Article 41 If any resolution of the general meeting or the board of directors of the Company violates the laws or administrative regulations, the shareholders shall have the right to request the people's court to invalidate the resolution.

If the convening procedure or voting method of the general meetings or board of directors meetings violates the laws, administrative regulations or the Articles of Association or the contents of a resolution run counter to the Articles of Association, the shareholders shall have the right to request the people's court to cancel such resolution within sixty days after passing the resolution. However, except that there are only minor defects in the convening procedures or voting method of a shareholders' meeting or a Board meeting, which do not materially affect the resolution.

Where the board of directors, shareholders and other stakeholders dispute the validity of a resolution of a shareholders' meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgement or ruling, the stakeholders shall execute the resolution of the shareholders' meeting, and no entity shall refuse to execute the resolution of the shareholders' meeting on the ground that the resolution is invalid. The Company, directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the people's court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws,

administrative regulations, the requirements of the CSRC and the stock exchange where the Company's shares are listed, fully explain the impact, and actively co-operate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

Article 42 Resolutions of a general meeting or a board meeting of the Company shall be invalid in any of the following circumstances:

- (1) the resolution was not made by a general meeting or a board meeting;
- (2) the resolution was not voted on at a general meeting or a board meeting;
- (3) the number of attendees of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law and the Articles of Association;
- (4) the number of attendees voting in favor of the resolution or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law and the Articles of Association.

Article 43 Where the Company incurs losses as a result of violation by directors and members of the senior management of laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, the shareholders individually or in the aggregate holding more than 1% of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing the board of supervisors to initiate proceedings to the People's Court; where the Company incurs losses as a result of violation by the board of supervisors of any provisions of laws, administrative regulations or the Articles of Association in the course of performing its duties with the Company, the shareholders individually or in the aggregate holding more than 1% of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing to the board of directors to initiate proceedings to the People's Court.

In the event that the board of supervisors or the board of directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date of receiving such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, the shareholders described in the preceding paragraph shall have the right to for the benefit of the Company initiate proceedings to the People's Court directly in their own names.

Where the Company incurs losses as a result of infringement upon the legitimate rights and interests of the Company by any other persons, the shareholders stated in paragraph 1 of this article may initiate proceedings to the People's Court pursuant to the provisions of the first two paragraphs.

Where the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, the shareholders severally or jointly holding 1% or more of the Company's shares for a period of 180 consecutive days or longer, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, are entitled to

request the supervisory committee or board of directors of the wholly-owned subsidiary to initiate legal proceedings with the people's court in writing or directly initiate legal proceedings with the people's court in its own name.

Article 44 Shareholders may initiate proceedings to the People's Court in the event that a director or a senior management officer has violated laws, administrative regulations or the Articles of Association, damaging the interests of shareholders.

Article 45 The shareholders of the Company shall have the following obligations:

(1) to observe laws, administrative regulations, regulatory rules of the place where the shares are listed and the Articles of Association;

(2) to pay capital contribution as per the shares subscribed for and the method of subscription;

(3) not to withdraw its share capital unless in the circumstances stipulated by laws and regulations;

(4) not to abuse their rights as shareholders to jeopardize the Company's or other shareholder's rights; not to abuse of the Company's status as an independent legal person or any abuse of the limited liability of a shareholder to jeopardize the interests of the Company's creditors;

(5) other obligations imposed by laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association.

In the event of any damage caused to the Company or other shareholders arising from any abuse of the shareholder's right, such shareholder shall be liable for compensation in accordance with laws. In the event of any severe damage caused to the interest of the creditors of the Company arising from any abuse of the Company's independent legal person status and the limited liability of the shareholders by any shareholder to evade from debts, such shareholder shall be jointly and severally liable for the Company's debts.

Article 46 If any shareholder holding more than 5% voting shares of the Company pledges the said voting shares, the said shareholder shall submit a written report to the Company on the date on which the said pledge is executed.

Section 2 Controlling Shareholders and De Facto Controllers

Article 47 The controlling shareholder and the de facto controller of the Company shall exercise their rights and fulfill their obligations in accordance with the laws, administrative regulations, the regulations of the China Securities Regulatory Commission and the securities regulatory authorities where the Company's shares are listed, in order to safeguard the interests of the listed company.

Article 48 The controlling shareholder and the de facto controller of the Company shall not take advantage of their connected relationships to harm the interests of the Company. They shall be held liable for damages if, as a result of violating such provisions, they cause the Company to sustain a loss.

The provisions regarding the fiduciary duties and duties of diligence of the directors as contained in the Articles of Association shall apply to the controlling shareholder and the de

facto controller of the company who does not serve as a director but actually attends to the company's affairs.

If the controlling shareholder and the de facto controller of the Company instructs directors or senior management officers to engage in an act that is detrimental to the interests of the Company or the shareholders, he or she shall be jointly and severally liable with the directors or senior management officers.

If the controlling shareholder of the Company abuses shareholder rights and severely harms the interests of the Company or other shareholders, the other shareholders have the right to request the Company to acquire their shares at a reasonable price.

- Article 49 The controlling shareholders and de facto controllers who pledge the shares of the Company held or actually controlled by them shall maintain the control and operational stability of the Company.
- Article 50 The controlling shareholder and de facto controller transferring the shares of the Company held by them shall comply with the provisions of laws, administrative regulations, and the securities regulatory rules of the China Securities Regulatory Commission and the place where the Company's shares are listed.

Section 3 General Provisions of General Meeting

- Article 51 The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to laws:
- (1) to decide on the Company's business policy and investment plans;
 - (2) to elect and replace directors and supervisors who are not employee representatives, and determine the remunerations of directors and supervisors;
 - (3) to consider and approve the reports of the board of directors;
 - (4) to consider and approve the reports of the board of supervisors;
 - (5) to consider and approve the Company's profit distribution plan and loss recovery plan;
 - (6) to resolve on increase or decrease of the registered capital of the Company;
 - (7) to resolve on the plans for issuance of corporate bonds or other securities and listing;
 - (8) to resolve on the merger, division, dissolution, liquidation or transformation of corporate form of the Company;
 - (9) to amend the Articles of Association;
 - (10) to resolve on the matters such as the employment, dismissal of the accounting firm that undertakes the Company's auditing activities as well as of its remuneration;
 - (11) to consider and approve the guarantee matters stipulated in the Articles of Association that shall be approved by the general meeting;
 - (12) to consider the Company's purchase or sale of major assets within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;
 - (13) to consider and approve matters relating to the changes in the use of proceeds from

share offerings;

(14) to consider share incentive plan and employee stock ownership plan;

(15) to consider other matters which, in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association, shall be approved by the general meeting.

Matters which, in accordance with the provisions of the laws, administrative regulations and the Articles of Association, are required to be approved by the general meetings must only be considered at the general meeting so as to protect the decision-making power of the shareholders of the Company on such matters. Under necessary, reasonable and lawful circumstances, the general meeting may authorize the board of directors to decide, as permitted by laws, regulations and the Articles of Association and within the scope of authorization granted by the general meeting, specific matters which are relevant to the aforementioned resolutions and cannot be decided at the general meeting.

The general meeting may, when necessary, reasonable and legal, authorize or entrust the board of directors to handle matters authorized or entrusted by it, including but not limited to carrying out the following matters at the general meeting:

Subject to the applicable laws, regulations and listing rules, to give a general mandate to the board of directors to issue, allot and deal with additional overseas-listed shares not exceeding 20% of the shares in issue (or other proportions as required by the applicable laws, administrative regulations and listing rules of the place where the Company's shares are listed);

To authorize the board of directors, within the cap amount of debt issuance, to determine the specific terms and the relevant matters in relation to the issuance of the debt financing instrument(s) such as domestic short-term financial instruments, mid-term financial notes, corporate bonds, overseas USD bonds in accordance with the needs of production, operation and capital expenditure as well as the market conditions, including but not limited to the determination of the value, interest rate, term, targeted group and use of proceeds of the bond(s), as well as the preparation for, execution and disclosure of all necessary documents thereof subject to the aforementioned limits.

Article 52 The provision of guarantee by the Company for third parties as set forth below, shall be subject to the consideration and approval of the general meeting:

(1) any guarantee to be provided after the total amount of guarantee provided to third parties by the Company and its controlling subsidiaries exceeds 50% of the latest audited net assets;

(2) any guarantee to be provided after the total amount of guarantee provided to third parties by the Company exceeds 30% of the latest audited total assets;

(3) any guarantee to be provided by the Company within one year exceeding 30% of the Company's latest audited total assets;

(4) any guarantee to be provided to a recipient with a gearing ratio of more than 70%;

(5) any single guarantee exceeding 10% of the latest audited net assets;

(6) any guarantee to be provided for shareholders, de facto controllers and their connected

parties;

(7) any other guarantees provided in the laws, regulations, normative documents, regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The board of directors has the right to consider and approve the external guarantees other than the external guarantees that are subject to the approval of the general meeting. Where any external guarantee considered and approved in violation of the approval power or review procedure causes a loss to the Company, the related directors, senior management or any other responsible entities shall bear the liability for damages in accordance with the laws.

Article 53 Shareholders' general meetings include annual general meetings and extraordinary general meetings. An annual general meeting shall be convened once a year and shall be held within six months after the end of the preceding fiscal year.

Article 54 The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

(1) the number of directors is less than the number provided for in the Company Law, or less than two-thirds of the number prescribed in the Articles of Association;

(2) the losses of the Company that have not been made up reach one-third of its total paid-in share capital;

(3) a written request is made by a shareholder or shareholders holding separately or in aggregate more than 10% of the shares of the Company;

(4) the board of directors considers it necessary;

(5) when proposed by the board of supervisors;

(6) other situations stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

If the extraordinary general meeting is convened in accordance with the provisions of the securities regulatory rules for the listing of the Company's shares, the actual date of the extraordinary general meeting may be adjusted based on the approval progress of the stock exchange where the shares of the Company are listed.

Article 55 The Company's general meeting of shareholders shall be held at the company's domicile or other location specified in the notice of general meeting of shareholders.

The general meeting of shareholders will be held at a venue and in the form of on-site meetings, telephone conferences, etc. Where necessary, the Company will also provide online voting or other means recognized or required by the securities regulatory authorities to facilitate shareholders' participation in general meetings. Shareholders who participate the general meeting through the above means shall be deemed to have attended the meeting.

If the Company convenes a general meeting of shareholders using online voting, it shall provide shareholders with a secure, economical, and convenient online voting system for the general meeting of shareholders.

The time and venue of the on-site meeting should be convenient for shareholders to attend. After the notice of the general meeting of shareholders is issued, the venue of the on-site meeting of the general meeting of shareholders shall not be changed without proper reason.

If it is necessary to change, the convener shall make an announcement and explain the reason at least two working days before the on-site meeting.

Section 4 Summoning of General Meeting

Article 56 The shareholders' general meeting is convened by the board of directors, which shall convene the shareholders' general meeting in a timely manner within the specified period. With the approval of more than half of all independent non-executive directors, independent non-executive directors have the right to propose to the board of directors to convene an extraordinary general meeting of shareholders. For the proposal of the independent non-executive directors to convene the extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations and the provisions of the Articles of Association, provide written feedback on whether or not to convene the extraordinary general meeting within ten days after receiving the proposal. If the board of directors agrees to convene an extraordinary general meeting of shareholders, it shall issue a notice of convening the general meeting of shareholders within five days after making the resolution of the board of directors; if the board of directors does not agree to convene an extraordinary general meeting of shareholders, it shall explain the reasons and make an announcement.

Article 57 The board of supervisors shall be entitled to propose to the board of directors to convene an extraordinary general meeting, and shall put forward its proposal to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations and provisions of the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the proposal.

If the board of directors agrees to convene the extraordinary general meeting, it will serve a notice of such meeting within 5 days after the resolution of the board of directors is made. In the event of any change to the original proposal set forth in the notice, the consent of the board of supervisors shall be obtained.

If the board of directors does not agree to hold the extraordinary general meeting or fails to give a reply within 10 days after receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and the board of supervisors may convene and preside over the meeting by itself.

Article 58 Shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to request the board of directors to convene an extraordinary general meeting, and shall put forward such request to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations and provisions of the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the written proposal.

If the board of directors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution of the board of directors is made. In the event of any change to the original proposal set forth in the notice, the consent of shareholder(s) who put forward the proposal shall be obtained.

If the board of directors does not agree to hold the extraordinary general meeting, or fails to give a reply within 10 days after receipt of the proposal, shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to propose to the board of

supervisors to convene an extraordinary general meeting, and shall put forward such request to the board of supervisors in writing.

If the board of supervisors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of shareholder(s) who put forward the request shall be obtained.

In the case of failure to issue the notice for the general meeting within the term stipulated, the board of supervisors shall be deemed as failing to convene and preside over the general meeting. The shareholder(s) severally or jointly holding 10% or above shares of the Company for 90 consecutive days or above may convene and preside over such meeting by itself/themselves.

Article 59 If the board of supervisors or shareholders decide to convene a shareholders' general meeting by themselves, they must notify the board of directors in writing and file a case to the stock exchange where the shares of the Company are listed.

Prior to the announcement of the resolution of the general meeting, the shareholding ratio of the convening shareholders shall not be less than 10%.

The board of supervisors or the convening shareholders shall submit the relevant supporting documents to the stock exchange where the shares of the Company are listed when issuing the notice of the shareholders' meeting and the announcement of the resolution of the shareholders' general meeting.

Article 60 The board of directors and the board secretary shall support the general meeting convened by the board of supervisors or shareholders. The board of directors shall provide a register of shareholders as of the date of share registration.

Article 61 For the general meeting convened by the board of supervisors or by the shareholders, the expenses necessary for the meeting shall be borne by the Company.

Section 5 Proposals and Notices of General Meeting

Article 62 The contents of the proposals shall fall within the functions and powers of the general meeting, shall have clear discussion topics and specific matters to be resolved, and shall comply with relevant requirements of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association. Proposals for general meetings shall be in writing.

Article 63 Where the Company convenes a general meeting, the board of directors, the board of supervisors and the shareholder(s) severally or jointly holding 1% or above shares of the Company may make proposals to the Company.

Shareholder(s) severally or jointly holding 1% or above shares of the Company may submit written provisional proposals to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting of shareholders within 2 days after receiving the proposal, announce the contents of the provisional proposal, and include the matters in the proposal that fall within the scope of responsibilities of the general meeting of shareholders on the agenda of the meeting for submission to the general meeting of shareholders for consideration and approval.

Save as provided in the preceding paragraph, upon issuance of the notice for the general meeting, the convener shall not amend any proposals which are set out in the notice for the general meeting or add new proposals.

Proposals that have not been set forth in the notice of the general meeting of shareholders or do not comply with the provisions of the Articles of Association shall not be voted and resolved at the general meeting of shareholders.

Article 64 The convener of the general meeting of shareholders shall notify all shareholders by means of an announcement 21 days before the annual general meeting, and 15 days before the extraordinary general meeting. The above time limit does not include the date of the meeting. Where there are other provisions in laws, regulations or the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

At the same time as the notice is given, a proxy form must be sent that provides pros and cons voting options on all resolutions to be proposed at the meeting.

Article 65 The notice of the general meeting shall set forth the following particulars:

- (1) time, place and duration of the meeting;
- (2) matters and proposals submitted to the meeting for consideration and approval;
- (3) statement made in distinct words: that all shareholders shall have the right to attend the general meeting and may authorize a proxy in writing to attend such meeting and participate in voting, who is not necessarily a shareholder of the Company;
- (4) the share registration date for the shareholders who are entitled to attend the meeting;
- (5) name and telephone number of the standing contact person of the meeting;
- (6) the voting time and voting procedures via internet or other methods;
- (7) other matters required by laws, administrative regulations, regulatory documents and the Hong Kong Listing Rules.

Notices and supplementary notices of shareholders' general meetings shall adequately and completely disclose the particulars of all proposals. Where the opinions of an independent non-executive director are required on the matters to be discussed, such opinions and reasons thereof shall be provided at the same time when the notices or supplementary notices of shareholders' general meetings are served.

If laws, administrative regulations, departmental rules, regulatory documents and the relevant stock exchanges or regulatory authorities of the place where the shares of the Company are listed stipulate on the period of closure of the share transfer registration procedures, such provisions shall prevail.

Article 66 In the event that matters involving the election of directors and supervisors are to be considered at the general meeting, the notice of such general meeting shall fully disclose the detailed information of the candidates for such directors and supervisors, which shall at least include the following:

- (1) personal particulars including full name, education background, working experience and any part-time job, especially regarding work particulars relating to the controlling

shareholders, de facto controller, and other entities;

(2) whether there is any connected relationship with the Company, its controlling shareholders and de facto controller, shareholders holding more than 5% of the Company's shares, and other directors, supervisors, and senior management of the Company;

(3) disclosure of the shareholdings in the Company;

(4) whether or not it has been penalized by relevant regulatory authorities and other relevant authorities and stock exchanges;

(5) other matters required by the Hong Kong Listing Rules.

Apart from directors and supervisors elected through the cumulative voting system, each candidate of director or supervisor shall be individually proposed.

Article 67 After the notice of the shareholders' general meeting is issued, the meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the case of any postponement or cancellation of the meeting, the convener shall issue the announcement and explain the reasons at least two working days prior to the original scheduled date.

Section 6 Convening of General Meeting

Article 68 The board of directors and other conveners shall be entitled to take necessary measures to ensure the normal order of the general meeting. Any acts of interfering with the general meeting, stirring up arguments and infringing against the lawful interest of shareholders will be stopped by adopting measures and shall be reported to the relevant authorities for investigation and penalty.

Article 69 All shareholders or their proxies on the register of shareholders as of the share registration date shall be entitled to attend the general meeting, speak and vote in accordance with the provisions of relevant law, regulations and these Articles of Association.

Shareholders may attend the general meeting in person and exercise their voting rights, or entrust others who need not be shareholders of the Company as their proxies to attend and exercise their speaking and voting rights within the scope of authorization.

If the shareholder is a recognized clearing house (or its agent) as defined in the Hong Kong Securities and Futures Ordinance or relevant regulations under the Hong Kong laws in force from time to time, it may authorize one or more person(s) as it thinks fit to act as its proxy(ies) at any general meeting. However, if more than one person is authorized, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization. Such authorized proxies may represent the recognized clearing house (or its agent) (not requiring presence of the shareholding voucher, notarized authorization and/or further evidences to prove the duly authorization) as if they are individual shareholders of the Company, and shall be entitled to the same legal rights, including the rights to speak and vote, as other shareholders.

Article 70 In the event that an individual shareholder attends a general meeting in person, it shall present its own identity card or other valid documents or proof capable of identifying itself. In the event that a proxy is appointed to attend the meeting, it shall present its own valid

identity documents and the power of attorney from the shareholder.

For a legal person shareholder, its legal representative or a proxy should attend the meeting. In the event that its legal representative attends the meeting, it should present its identity card, other valid proof capable of proving its qualification of being the legal representative. In the event that a proxy is appointed to attend the meeting, it should present its own identity card, the written power of attorney issued by the legal representative of the legal person shareholder in accordance with the laws.

For a partnership shareholder, its managing partner (including the representative of the managing partner) or its proxy should attend the meeting. In the event that its managing partner attends the meeting, it should present its identity card, other valid proof capable of proving its qualification of being the managing partner. In the event that a proxy is appointed to attend the meeting, the proxy should present its own identity card, the written power of attorney issued by the managing partner of the partnership shareholder in accordance with the laws.

Investors who have undergone identity verification through the online voting system of the shareholders' general meeting can confirm their legitimate and valid shareholder status, possessing lawful and effective voting rights. If the Company holds a shareholders' general meeting and votes by other means recognized or required by the securities regulatory authorities, the identity of the shareholders shall be confirmed in accordance with relevant rules.

Article 71 The power of attorney issued by a shareholder to appoint another person to attend a general meeting shall contain the following particulars:

- (1) the name or title of the principal, and the category and quantity of shares held in the Company;
- (2) the name of the proxy;
- (3) the specific instructions from shareholders, including the instructions to vote in favor of or against, or to abstain from voting on each matter set out on the agenda of the general meeting and so on;
- (4) the signing date and validity of the power of attorney;
- (5) the signature (or seal) of the principal. If the principal is a legal person shareholder, the seal of the legal entity shall also be affixed. If the principal is a partnership shareholder, the seal of the partnership shall also be affixed.

Article 72 The power of attorney shall state whether the proxy, in the absence of any specific instructions from the shareholder, may vote as it thinks fit.

Article 73 The power of attorney shall be deposited at Company's domicile or elsewhere specified in the notice of meeting at least 24 hours before the relevant meeting at which such proxies are authorized to vote, or 24 hours before the designated time for the relevant voting. Where the power of attorney is signed by other persons authorized by the principal, such signing authorization letter or other authorization document shall be notarized. A notarized signing authorization letter or other authorization document, together with the power of attorney, shall be deposited at the Company's domicile or elsewhere specified in the notice of meeting.

Where the principal is a legal person, its legal representative or any other persons authorized by resolution of its board of directors or other decision-making authority shall attend the general meeting of the Company on its behalf.

Where the principal is a partnership, the executive partner or the representative appointed by the executive partner or the person authorized by the resolution of the partners' meeting or other decision-making authority shall attend the general meeting of the Company on its behalf.

Article 74 An attendance register for the meeting shall be compiled by the Company.

The attendance register shall list the name (or name of organization), identity card number (or unified social credit identifier of an organization), residential address (or principal place of business of an organization) of the attendant, the number of shares with voting rights held by the attendant or held on behalf of others, as well as the name of the principal (or name of organization) and so on.

Article 75 The convenor shall verify the legitimacy of the qualifications of shareholders based on the register of shareholders provided by the securities depository and clearing house, and record the names of shareholders and the number of voting shares held by them. Registration for the meeting shall end before the chairman of the meeting announces the number of shareholders and proxies physically present at the meeting, as well as the total number of voting shares held by them.

Article 76 In the event that the shareholders' general meeting requires directors, supervisors, and senior management to attend, the directors, supervisors, and senior management shall attend and be questioned by the shareholders.

Article 77 The general meeting shall be convened by the board of directors in accordance with laws and shall be presided over by the chairman of the Board. If the chairman of the Board is unable or fails to perform its duties, the meetings shall be presided over by a director jointly elected by more than half of the directors.

A general meeting convened by the board of supervisors on its own shall be presided over by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform its duties, the meetings shall be presided over by a supervisor jointly elected by more than half of the supervisors.

A general meeting convened by shareholders on their own shall be presided over by a representative elected by the convenor.

During a general meeting, in the event that the chairman of the meeting violates the rules of procedures so that the general meeting cannot proceed, a person may be elected as the chairman of the meeting thereat to proceed with the meeting with the consent of shareholders with a majority of the voting rights present at the meeting.

Article 78 The Company shall formulate the rules of procedures for general meetings which shall set out in detail the convening and voting procedures in respect of the general meeting (including notice, registration, consideration and approval for proposals, voting, vote counting, announcement of voting results, the resolution making process, meeting minutes and signing, announcements and other matters) and the principles of granting authorization to the board of directors at the general meeting. The scope of authorization shall be specified in details.

The rules of procedures for general meetings attached to the Articles of Association as an appendix shall be prepared by the board of directors and approved at a general meeting.

Article 79 At an annual general meeting, the board of directors and the board of supervisors shall report to the meeting on their work over the past year. Each independent non-executive director shall present reports on their work.

Article 80 Directors, supervisors and senior management shall answer or give explanation to any questions raised and suggestions made by shareholders at general meetings unless they cannot be disclosed at the general meeting pursuant to the relevant laws and administrative regulations or due to the involvement of the Company's trade secrets.

Article 81 The chairman of the meeting shall announce, before voting takes place, the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held by them. The number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held by them shall be based on the registration of the meeting.

Article 82 Minutes of general meetings shall be recorded by secretary to the board of directors.

The minutes of a meeting shall record the following:

- (1) time, place, agenda of meeting and the name of the convener;
- (2) names of the chairman of the meeting, directors, supervisors, general manager and other senior management officer(s) attending or present at the meeting;
- (3) number of shareholders and proxies attending the meeting, total number of the shares carrying voting rights held by them, and the percentage of shares carrying voting rights held by them to the total number of shares of the Company;
- (4) process of consideration, key points of the speech and voting results for each proposal;
- (5) shareholders' enquiries or recommendations and respective answers or explanations;
- (6) names of the lawyer(s) (if any), vote counter and the scrutinizer;
- (7) other matters which shall be recorded in the meeting minutes pursuant to the Articles of Association.

Article 83 The convener of the general meeting shall ensure the truthfulness, accuracy and completeness of the meeting minutes. Directors, supervisors, secretary to the board of directors, the convener of the meeting or its representative and the chairman of the meeting shall sign on the meeting minutes. The meeting minutes shall be maintained with the signature book of attending shareholders, the proxy forms of their proxies and valid information on voting via other manners, for a period of not less than 10 years.

Article 84 The convener of the general meeting shall ensure that the general meeting is being conducted continually until resolutions have been resulted. In the event of special reasons such as force majeure resulting in the termination of meeting or the failure of resulting in resolutions, necessary measures shall be taken to resume the general meeting as soon as practicable or terminate the meeting directly.

Section 7 Voting and Resolutions of General Meeting

Article 85 Resolutions of general meetings shall take the form of ordinary resolutions or special resolutions.

To pass an ordinary resolution at a general meeting, votes representing a simple majority of the voting rights of the shareholders (including proxies) present at the meeting shall be cast in favor of such resolution.

To pass a special resolution at a general meeting, votes representing more than two-thirds of the voting rights of the shareholders (including proxies) present at the meeting shall be cast in favor of such resolution.

Article 86 The following matters shall be passed by way of ordinary resolution at a general meeting:

- (1) the work report of the board of directors and the board of supervisors;
- (2) the board of directors' proposed profit distribution plan and loss recovery plan;
- (3) appointment and dismissal of members of the board of directors and the board of supervisors, and their remuneration and payment method;
- (4) the Company's annual report;
- (5) matters other than those that are required to be passed by special resolution in accordance with the laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.

Article 87 The following matters shall be passed by way of special resolution at a general meeting:

- (1) increase or reduction in the registered capital of the Company;
- (2) spin-off, merger, dissolution and liquidation or change in corporate form of the Company;
- (3) amendments to the Articles of Association;
- (4) the Company's purchase or sale of major assets or amount of guarantees provided to others in excess of 30% of the Company's latest audited total assets within one year;
- (5) equity incentive plans;
- (6) other matters which are required to be passed by special resolution in accordance with the laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association, and which are supposed to have a significant impact on the Company if they are passed by ordinary resolution at the general meeting.

Article 88 When voting at a general meeting, a shareholder (including proxy) shall exercise its voting rights in respect of the number of voting shares it represents. One vote per share. On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all its votes or against for the relevant resolution.

Where material issues affecting the interests of small and medium investors are being considered at the general meeting, the votes by small and medium investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.

The shares of the Company held by itself have no voting rights and shall not be counted into

the total number of shares carrying voting rights at the general meeting.

If a shareholder is prohibited from exercising his/her voting rights or is required to abstain from voting on any particular matter or restricted to voting only for or only against any particular matter under the laws, administrative regulations, departmental rules and regulatory rules of the place where the shares of the Company are listed, the votes cast by such shareholder or their proxies in contravention of such requirement or restriction shall not be counted.

Article 89 When connected transactions are considered at a general meeting, related shareholders who have material interests in the connected transactions or arrangements shall not participate in voting. The number of shares with voting rights represented by them shall not be counted in the total number of valid votes. The voting of non-related shareholders shall be disclosed fully in the announcement on the resolutions of a general meeting.

The Company must enter into a written agreement for a connected transaction. For the connected transaction that are subject to announcements, circulars and independent shareholders' approval under the Hong Kong Listing Rules, an announcement must be made as soon as possible after its terms have been agreed, and the connected transaction must be conditional on shareholders' approval at a general meeting. Any shareholder who has a material interest in the transaction must abstain from voting. If the connected transaction requires shareholders' approval, the Company must set up an independent non-executive board committee (all members of the committee shall be independent non-executive directors) and appoint an independent financial adviser. The independent non-executive board committee must, taking into account the recommendation of an independent financial adviser, advise the Company's shareholders:

- (1) whether the terms of the connected transaction are fair and reasonable;
- (2) whether the connected transaction is on normal commercial terms or better and in the ordinary and usual course of business of the Company's group;
- (3) whether the connected transaction is in the interests of the Company and its shareholders as a whole; and
- (4) how to vote on the connected transaction.

Article 90 The Company shall not enter into any contract with any person other than the directors, general manager and other senior management officer(s) whereby such person undertakes the management and administration of the whole or any substantial part of the business of the Company except that the Company is in special circumstances such as crises, unless prior approval by way of special resolution is obtained in general meeting.

Article 91 The list of candidates for non-staff representative directors and supervisors shall be submitted to the general meeting for voting in the form of proposal.

Article 92 The general meeting shall vote on each of the proposals one by one, and in the event that there are a number of proposals under one issue, voting will be proceeded according to the order of time which these proposals are put forward. Other than special reasons such as force majeure which results in the interruption of the meeting or makes it impossible to decide on a resolution, the general meeting shall not put aside or not vote on the proposals.

Article 93 When a proposal is being considered at a general meeting, no modifications can be made to the proposal, it shall be deemed as a new proposal and shall not be voted at this general meeting if modification made.

Article 94 Only one of the on-site voting or other voting methods may be selected for the same voting right. In the event that the same voting right is repeated, the first voting result shall prevail.

Article 95 Unless otherwise required by relevant laws and regulations and the listing rules of the stock exchange where the Company's shares are listed, voting at the general meeting shall be conducted by way of a poll.

Article 96 Before voting takes place on a proposal at a general meeting, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and its proxy(ies) shall not participate in the vote counting and scrutinizing.

When voting takes place on a proposal at a general meeting, representatives of shareholders and supervisors and other relevant persons appointed pursuant to the Hong Kong Listing Rules shall be jointly responsible for vote counting and scrutinizing in accordance with the Hong Kong Listing Rules, and shall announce the voting results on the spot. The voting results of resolutions shall be recorded in the minutes.

Shareholders or their proxies who vote via other means have the right to check the results of their votes in the corresponding voting system.

Article 97 The on-site general meeting shall not end earlier than the meeting conducted online or via other means. The chairman of the meeting shall announce details and results of the voting on each proposal, and announce whether a proposal is passed according to the voting results.

Before the formal announcement of voting results, companies, vote counters, vote scrutineers, shareholders, service providers and other related parties involved in the on-site voting and other voting methods shall be under a confidentiality obligation relating to the details of the voting.

Article 98 Shareholders present at a general meeting shall express one of the following opinions on a proposal submitted for voting: being in favour of, being against or abstaining from voting, except for the declaration by securities registration and clearing institution as the nominal holder of stock connect mechanism between the mainland China and Hong Kong stock markets, based on the actual holders' intentions.

Uncompleted paper ballots, wrongly completed paper ballots, paper ballots with illegible characters and uncast paper ballots shall be deemed as voters abstaining from their voting rights. The voting results of the shares they hold shall be counted as "abstained".

Article 99 In the event that the chairman of a meeting has any doubt towards the results of a resolution submitted for voting, it may arrange the counting of the votes cast; in the event that the chairman of the meeting has not counted the votes but shareholders or their proxies present at the meeting disagree with the results announced by the chairman, they shall have the right to request vote counting immediately after the voting results are announced. The chairman shall immediately arrange the counting of votes.

Article 100 An announcement on the resolutions of a general meeting shall be made promptly, including the poll results at the meeting. The announcement shall list the number of shareholders or

their proxies present at the meeting, the total number of voting shares of such shareholders or proxies, the ratio of such voting shares to total voting shares of the Company, the means by which votes were cast, the voting result for each proposal, and the particulars of each resolution passed and other information required to be announced under the Hong Kong Listing Rules.

- Article 101 The Company shall appoint its auditors, share registrar or external accountants who are qualified to serve as its auditors as scrutineer for the vote – counting and state the identity of the scrutineer in the announcement. The Company must state in the announcement whether or not any parties that have stated their intention in the circular to vote against the relevant resolution or to abstain have done so at the general meeting. The Company must state in the poll results announcement directors’ attendance at the general meeting.
- Article 102 In the event that a proposal is not passed at a general meeting, or a resolution passed at a previous general meeting is modified at this general meeting, a special note shall be made in the announcement on the resolutions of the general meeting.
- Article 103 Where a proposal on election of director or supervisor is passed at the general meeting, the term of office of the newly elected directors and supervisors shall commence on the day when the resolution is approved by the general meeting.
- Article 104 Where a proposal on cash dividends, bonus shares or capital reserve capitalization is approved at the general meeting, the Company shall implement the specific scheme within two months after conclusion of the general meeting. If it is not possible to implement the specific scheme within two months due to the provisions of laws, regulations, and the securities regulatory rules of the place where the Company’s shares are listed, the implementation date of the specific scheme may be adjusted accordingly based on those provisions and actual circumstances.

CHAPTER 5 BOARD OF DIRECTORS

Section 1 Directors

- Article 105 Directors of the Company shall be natural persons, none of the following persons shall serve as the directors of the Company:
- (1) a person who has no civil capacity or has limited civil capacity;
 - (2) a person who has been imposed penalty for the offense of corruption, bribery, embezzlement, larceny, or disrupting the socialist economic order and is within five years of the expiry date of punishment or has been deprived of political rights because of this conviction and is within five years of the expiry date of the sentence, or a person who has been granted probation and is within two years from the expiration of the probation period;
 - (3) a person who is a director, factory manager or manager of a company or enterprise that is bankrupt and liquidated, was personally liable for the bankruptcy of such company or enterprise, and is within three years of the date of completion of bankruptcy and liquidation of such company or enterprise;

(4) a person who has served as the legal representative of a company or enterprise whose business license was revoked or was ordered to close due to violation of laws, was personally liable, and is within three years of the date on which the business license of such company or enterprise was revoked or was ordered to close;

(5) a person who has a relatively large sum of debts, which was not paid at maturity and has been listed as a dishonest person by the People's Court;

(6) a person who is prohibited by relevant regulatory authorities from entering into the securities market and is still in such prohibition period;

(7) other circumstances stipulated in laws, administrative regulations, department rules or the Hong Kong Listing Rules, etc.

If the Company elects or appoints directors in violation of the preceding paragraph, such election, appointment or employment shall be void.

In the event that any circumstance above occurs during a director's term of office, that person shall be dismissed.

Article 106 Directors are elected or replaced by the general meeting. Shareholders may remove any director before the expiry of its term of office by ordinary resolution, and the removal shall take effect on the date the resolution is made. If a director is dismissed without just cause before the expiry of its term, the director may request compensation from the Company at the general meeting subject to the compliance with laws and administrative regulations.

The term of office of a director is three years, and is eligible for re-election upon expiry of the term. However, the re-election of an independent non-executive director shall be conducted in accordance with the relevant requirements of the listing rules in the place where the Company's shares are listed.

The term of office of each director shall commence as of its assumption of office until the expiration of the current board of directors. A director shall continue to perform its duties in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until a re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of its term of office.

Senior management may also concurrently act as director, but the number of senior management who hold the offices of director shall not be more than half of the total number of directors of the Company.

Article 107 Directors shall comply with laws, administrative regulations and the Articles of Association, and shall faithfully perform their obligations to the Company. They shall take measures to avoid conflicts between their personal interests and the interests of the Company, and shall not abuse their authority to obtain improper benefits.

Directors shall perform the following duties of loyalty to the Company:

(1) directors shall not embezzle any of the property of the Company, and shall not misappropriate the Company's funds;

(2) directors shall not deposit assets or funds of the Company into accounts held in their own names or in the name of any other individual;

- (3) directors shall not abuse their authority by receiving any bribe or other illegal income;
- (4) directors shall not conclude any contract or enter into any transaction with the Company directly or indirectly, without reporting to the board of directors or the shareholders' meeting, and without being approved by a resolution of the board of directors or the shareholders' meeting in accordance with the provisions of the Articles of Association;
- (5) director shall not take advantage of its position to seek business opportunities for themselves or others that should have otherwise been available to the Company, except when reported to the board of directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or when the Company, according to laws, administrative regulations, or the provisions of the Articles of Association, cannot utilise such business opportunities;
- (6) director shall not operate for themselves or others any business similar to that of the Company, without reporting to the board of directors or the shareholders' meeting and obtaining approval through a resolution of the shareholders' meeting;
- (7) directors shall not accept commissions for transactions between others and the Company as their own;
- (8) directors shall not disclose Company secrets without authorization;
- (9) directors shall not make use of their related-party relationship to damage the Company's interests;
- (10) directors shall have other duties of loyalty specified by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

Any income obtained by a director in violation of this article shall belong to the Company; if losses are caused to the Company, the director shall be liable for compensation.

The close family members of the director, enterprises directly or indirectly controlled by the director or their close family members, as well as connected persons with other connections to the director, shall be subject to the provisions of item (4) of paragraph 2 of this Article when entering into contracts or conducting transactions with the Company.

Article 108 Directors shall comply with laws, administrative regulations and the Articles of Association, and shall diligently perform their obligations to the Company. In performing their obligations, they shall exercise the reasonable care that a manager should typically have for the Company's best interests.

Directors shall bear the following duties of diligence to the Company:

- (1) directors shall be prudent, scrupulous and diligent in exercising the authority conferred by the Company to ensure that the business activities of the Company comply with the laws, administrative regulations and various economic policy requirements, and that the business activities do not go beyond the scope of business activities specified in the Company's business license;
- (2) directors shall treat all shareholders equally;
- (3) directors shall keep abreast of the Company's business management status;
- (4) directors shall sign written statements confirming periodic reports of the Company, and

ensure that the information disclosed by the Company is true, accurate, and complete;

(5) directors shall provide accurate information and materials to the board of supervisors, and shall not interfere with the performance of duties by the board of supervisors or individual supervisors;

(6) directors shall have other diligence duties prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

Article 109 If a director fails to attend board meetings in person and fails to appoint any other director to attend on its behalf for two consecutive times, it shall be deemed to be unable to perform its duties, and the board of directors shall propose to the general meeting for replacement.

Article 110 A director may resign prior to the expiry of its term of service. When a director intends to resign, it shall submit a written resignation to the board of directors. The board of directors will disclose such information in accordance with applicable laws and regulations and the requirements of the Hong Kong Listing Rules.

Except in the circumstances provided below, a director's resignation shall take effect when the resignation report is served to the board of directors:

(1) the resignation of the director results in the number of board of directors of the Company falling below the legal minimum;

(2) the resignation of the independent non-executive directors will result in the proportion of independent non-executive directors in the Company's board of directors not complying with the requirements of laws, regulations, or the Articles of Association;

(3) there is a lack of accounting professionals among the independent non-executive directors.

In the event of the circumstances described in the preceding paragraph, the original directors shall continue to perform their duties as directors in accordance with laws, administrative regulations, departmental rules, the listing rules of the stock exchange where Company's shares are listed, and the Articles of Association until a re-elected director takes office. The Company shall complete the supplementary election within sixty days from the date of resignation, ensuring that the composition of the board of directors and its specialized committees complies with the provisions of laws and regulations, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 111 The Company has established a director resignation management system, clarifying the safeguards for accountability and compensation regarding unfulfilled public commitments and other outstanding matters. When a director's resignation takes effect or its term of service expires, the director shall complete all transfer procedures with the board of directors, and his/her fiduciary duty to the Company and the shareholders shall not, as a matter of course, terminate at the end of his/her term of service, and his/her responsibilities arising from the execution of duties during his/her tenure shall not be exempted or terminated due to resignation. The duty of confidentiality of a director in respect of trade secrets of the Company shall still be in effect after the end of its term of office, until such trade secrets become publicly available information. Directors shall not use the core technology of the Company that they have mastered to engage in the same or similar businesses after their resignation. The duration of the director's relevant obligations and responsibilities shall be

determined according to the principle of fairness, taking into account the time elapsed between the occurrence of the event and the termination of office, the circumstances and conditions under which the relationship with the Company ends, as well as specific written agreements regarding non-competition restrictions and confidentiality obligations between the director and the Company (if any).

Article 112 Unless legally authorized by the Articles of Association or the board of directors, no director shall act on behalf of the Company or the board of directors in its own name. When a director acts in its own name and a third party reasonably considers such director acts on behalf of the Company or the board of directors, such director shall declare in advance its position and capacity.

Article 113 A director shall be personally liable for any loss suffered by the Company as a result of a violation by it of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing its duties.

If a director causes damage to others while performing duties for the Company, the Company shall bear the liability for compensation; if the director has acted with intent or gross negligence, the director shall bear the liability for compensation.

The Company may purchase liability insurance for the compensation liabilities of directors arising from the performance of their duties during their tenure. After the Company purchases or renews liability insurance for the directors, the board of directors shall report the relevant details of the liability insurance to the general meeting.

Article 114 The relevant matters of the independent non-executive directors of the Company shall be carried out in accordance with the laws, administrative regulations, relevant regulations of the relevant regulatory authorities and stock exchanges. Except as otherwise provided by this section, the provisions relating to the qualifications and obligations of directors in the Articles of Association shall apply to independent non-executive directors. The independent non-executive Directors shall perform their duties faithfully and protect the interests of the Company, particularly paying attention to ensuring that the legal rights and interests of public shareholders are not harmed, so as to ensure that the interests of all shareholders are adequately represented.

In the event that any independent non-executive director becomes non-compliant with the qualifications, independence requirements, or other conditions that make it inappropriate for him/her to act as an independent non-executive director as stipulated by the Hong Kong Listing Rules, resulting in the number of independent non-executive directors of the Company falling below the number required by the Articles of Association, the Company shall promptly notify the Hong Kong Stock Exchange and shall state the relevant details and reasons in the form of an announcement. The Company shall, in accordance with the regulations, make up the number of independent non-executive directors within three months after its failure to comply with the relevant requirements to meet the requirements of the Hong Kong Listing Rules.

Section 2 Board of Directors

Article 115 The Company has established a board of directors, which is responsible to the general meeting.

Article 116 The board of directors shall comprise eight directors, and shall have one chairman of the board of directors. The chairman shall be elected by more than half of all the directors. The board of directors of the Company includes three independent non-executive directors. The independent non-executive directors include at least one person with appropriate professional qualifications or accounting or related financial management expertise. At least one independent non-executive director of the Company is ordinarily resident in Hong Kong.

Article 117 The board of directors exercises the following powers:

- (1) to convene the general meeting and report work to the general meeting;
- (2) to carry out the resolutions of the general meeting;
- (3) to decide on the operational and investment plans of the Company;
- (4) to formulate the profit distribution and loss recovery plans of the Company;
- (5) to formulate the plans for increasing or decreasing the Company's registered capital, the issuance of bonds or other securities and listing;
- (6) to formulate plans for major acquisition, purchase of shares of the Company, merger, division and dissolution and change of the form of the Company;
- (7) in accordance with the Articles of Association or within the scope authorized by the general meeting, to determine matters such as the Company's external investments, the purchase and sale of assets, asset mortgages, external guarantees, entrusted management of finance, connected transactions and external donations;
- (8) to decide on the organizational setup of the Company;
- (9) to decide on the appointment or dismissal of the general manager, secretary to the board of directors, and other senior managers of the Company and determine their remuneration, rewards and punishments; based on the nomination of the general manager, to decide on the appointment or dismissal of senior management of the Company such as deputy general manager, chief financial officer and other senior managers and determine their remuneration and rewards and punishments;
- (10) to formulate the basic management systems of the Company;
- (11) to formulate the modification plan to the Articles of Association;
- (12) to manage disclosure matters of the Company;
- (13) to make proposals to the general meeting on the appointment or replacement of the accounting firm that provides auditing services to the Company;
- (14) to hear work report of the general manager and to inspect the general manager's work;
- (15) to formulate and implement share incentive plans of the Company;
- (16) other powers and duties authorized by the laws, administrative regulations, department rules, listing rules in the place where the Company's shares are listed or the Articles of Association.

Matters beyond the scope of authorization by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The board of directors has established the following special committees, namely the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy and Development Committee. The special committees shall be responsible for the board of directors and shall perform their duties as stipulated in the Articles of Association and as authorized by the board of directors. Proposals shall be submitted to the board of directors for consideration. All members of the special committees shall be directors. Independent non-executive directors shall account for the majority of members of the Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee. The specific composition and qualification requirements shall refer to laws, administrative regulations, departmental rules, and the regulatory rules of the place where Company's shares are listed. The board of directors is responsible for formulating the terms of reference of the special committees, which include matters such as composition, responsibilities and authorities, decision-making processes, meeting systems, and relevant remuneration assessment mechanisms, to regulate the operation of the special committees.

- Article 118 The Board of directors shall obtain the approval of more than half of all members of the Audit Committee before making resolutions on the following matters: (1) the appointment and dismissal of the accounting firm responsible for the Company's audit; (2) the appointment and dismissal of the financial officer; (3) the disclosure of financial accounting reports; (4) other matters as stipulated by the securities regulatory authority of the State Council.
- Article 119 Any material matters to be decided by the board of directors of the Company must be handled in strict accordance with the specified procedure, and notice shall be given to all directors at the time required by the Articles of Association and sufficient information shall be given at the same time. The directors may request additional information. When one-fourth or more of the directors or two or more of the independent non-executive directors consider that the information and materials are not sufficient or they are unable to make a decision on the matters for other reasons, they may jointly propose to postpone the board meetings or delay the discussion of certain matters to be resolved in the board meetings, and the board of directors shall adopt the relevant proposal.
- Article 120 The board of directors shall formulate the rules of procedure of the board of directors so as to ensure the implementation of resolutions passed at the general meeting, improving the efficiency and ensuring the scientific policy-making of the board of directors.
- The rules of procedure of the board of directors are set out as an appendix to the Articles of Association, which shall be formulated by the board of directors and approved by the general meeting.
- Article 121 The board of directors shall determine the scope of authority for external investments, acquisition and disposal of assets, asset mortgage, external guarantees, entrusted financial management, connected transactions, and external donations, and establish stringent review and decision-making procedures. The board of directors shall organize relevant experts and professionals to review and evaluate major investment projects and, if necessary, submit them for approval to the general meeting.
- Article 122 Any guarantee provided by the Company shall be submitted to the board of directors for consideration; if the guarantee meets the standards stipulated in the Articles of Association, it shall be submitted to the general meeting for consideration and approval after the board of directors' review and approval.

The board of directors shall, in addition to the approval of more than half of all the directors, also obtain the consent of more than two-thirds of the directors attending the board meeting.

- Article 123 The chairman of the board of directors shall exercise the following functions and powers:
- (1) to chair the general meeting and to convene and chair the board meetings;
 - (2) to sign material documents of the board of directors;
 - (3) to supervise and inspect the implementation of resolutions of the board of directors;
 - (4) other functions and powers conferred by the board of directors;
 - (5) other functions and powers conferred by laws, administrative regulations, departmental rules, listing rules of the place where the Company's shares are listed or the Articles of Association.
- Article 124 In the event that the chairman is incapable of performing or not performing its duties, a director nominated by more than half of the directors shall perform its duties.
- Article 125 Board meetings are classified as regular meetings and extraordinary meetings. The board of directors shall convene regular board meetings at least four times a year, approximately once every quarter, shall be convened by the chairman and shall be notified in writing to all directors and supervisors 14 days prior to the meeting and, if necessary, to the general manager and other senior management.
- Article 126 Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than half of the independent non-executive directors, the board of supervisors or the general manager may propose an extraordinary board meetings. The chairman shall convene and preside over the board meetings within 10 days after receiving such proposal. The chairman of the board of directors may also convene an extraordinary board meetings when it deems it necessary.
- Article 127 A reasonable notice for convening the extraordinary board meetings shall be notified to all directors, supervisors and the general manager, and, if necessary, other senior management of the Company prior to the convening of the meeting.
- Article 128 A notice of a board meeting shall contain:
- (1) the date and venue of the meeting;
 - (2) the duration of the meeting;
 - (3) the purpose and matters to be discussed;
 - (4) the date of the notice;
 - (5) other matters required by the laws, administrative regulations, departmental rules, normative documents, listing rules of the stock exchange where the Company's shares are listed or the Articles of Association.
- Article 129 The board meetings shall be held upon the attendance of more than half of directors. Unless otherwise stipulated in the Articles of Association, a resolution of the board of directors must be passed by more than half of all directors of the Company.

Resolutions of the board of directors are voted by way of poll with each director having one vote.

Article 130 If any director has connection with the enterprise or individual involved in the resolution made at a board meeting, such director shall promptly report in writing to the board of directors. The director who has a connected relationship shall not vote on the said resolution for itself or on behalf of another director. The board meetings may be held when more than half of the non-connected directors attend the meeting. The resolution of the board meetings shall be passed by more than half of the non-connected directors (in the case of items (5), (6) and (11) of Article 117 of the Articles of Association, the issue shall be passed by over two-thirds of the non-connected directors). If the number of non-connected directors attending the meetings is less than three, the issue shall be submitted to the general meeting for consideration.

Article 131 Voting on board meetings may be conducted by open ballot or by a show of hands.

Article 132 Unless otherwise stipulated by relevant laws, administrative regulations and regulatory documents or the Hong Kong Listing Rules, the extraordinary board meetings may be held and make resolutions in the form of video meeting, teleconference or written circular and shall be signed by the attending directors, provided that the directors are allowed to freely express their views. After the board of directors has delivered the proposal to all directors and that the number of directors giving consent and signature to the proposal has reached the quorum, such proposal, if delivered to the secretary to the board of directors by means of methods referred to above, shall become a resolution of the board of directors. Such resolution shall be deemed to have the same legal effect as a resolution passed at a board meeting held in accordance with the procedures set out in the relevant provisions of the Articles of Association.

Regular board meetings shall not be convened by way of written circular.

Article 133 Directors shall attend the board meetings in person. Where a director is unable to attend a meeting for any reason, it may, by a written power of attorney, appoint another director to attend the meeting on its behalf. The power of attorney shall set out the name of the attorney, issues under authorization, scope of authorization and valid period, which will be signed or sealed with the chop by the appointing director. A director appointed as a representative of another director to attend the meeting shall exercise the rights of a director within the scope of authority conferred by the appointing director. Where a director is unable to attend a board meeting and has not appointed a representative to attend the meeting on its behalf, it shall be deemed to have waived its right to vote at the meeting.

Article 134 The board of directors shall keep minutes of resolutions passed at board meetings. The minutes shall be signed by the attending directors. Minutes of the board meeting shall be kept as company files for a period of no less than ten years.

Article 135 Minutes of the board meeting shall include the following contents:

- (1) date and place of the meeting and name of the convener;
- (2) names of the attending directors and names of the directors (proxies) appointed by others to attend the board meeting;
- (3) agenda of the meeting;

(4) main points of directors' speeches;

(5) method and result of the voting for each proposal (the voting result should specify the number of votes for and against the proposal or abstention).

CHAPTER 6 SENIOR MANAGEMENT

Article 136 The Company shall have a general manager who shall be appointed or removed by the board of directors.

The Company shall have several other senior managements who shall be appointed or removed by the board of directors based on business requirements.

The general manager, deputy general manager, secretary to the board of directors, financial officer and other managements recognized by the board of directors are senior managements of the Company.

Article 137 The circumstances of disqualification for directors and management system on dismissal of the Articles of Association shall be applicable to the senior management.

The fiduciary obligations and the diligent obligations of directors stipulated in the Articles of Association shall apply to the senior management concurrently.

Article 138 Persons who hold administrative positions other than director and supervisor in the Company's controlling shareholder shall not serve as the Company's senior management.

The senior management of the Company shall only receive remuneration from the Company, not from the controlling shareholders on behalf of the Company.

Article 139 The term of office of the general manager is three years, and the general manager may be re-elected by the board of directors.

Article 140 The general manager is responsible to the board of directors and exercises the following powers:

(1) be in charge of the producing and operational management of the Company, organize the enforcement of resolutions of the board of directors and report to the board of directors on work;

(2) organize the implementation of the annual operation plans and investment schemes of the Company;

(3) formulate the structure scheme of the internal organizational setup of the Company;

(4) formulate the fundamental management policies of the Company;

(5) formulate the specific management rules of the Company;

(6) propose the appointment or dismissal of the Company's deputy general manager, chief financial officer and other senior management;

(7) appoint or dismiss other management personnel except those who shall be appointed or dismissed by the board of directors;

(8) other responsibilities authorized by the Articles of Association and the board of directors.

The general manager shall attend board meetings.

Article 141 The general manager may resign before expiry of its term of office. The specific procedures and methods for such resignation of the general manager shall be specified in the employment contract concluded by the general manager and the Company.

Article 142 The deputy general manager, financial officer and other senior management shall be nominated by the general manager and appointed or dismissed by the board of directors. The deputy general manager assists the general manager in performing relevant duties and is accountable to the general manager, who may authorize the deputy general manager.

Article 143 The Company shall have a secretary to the board of directors, who shall be responsible for the preparation of the general meeting and board meetings of the Company, keeping of documents, management of shareholders' information of the Company and handling matters such as information disclosure.

The secretary to the board of directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules and the Articles of Association.

Article 144 If the senior management violates laws, administrative regulations, department rules or the Articles of Association when performing its duties in the Company, it shall indemnify the Company against losses incurred due to such violation.

Where the senior management causes damage to others when performing its duties in the Company, the Company shall be liable for compensation; where the senior management acts with willful or material default, they shall be liable for compensation.

Article 145 Senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all the shareholders. If the Company's senior management fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the law.

CHAPTER 7 BOARD OF SUPERVISORS

Section 1 Supervisors

Article 146 The circumstances of disqualification for directors of the Articles of Association shall be applicable to supervisors.

Directors, the general manager and other senior management members shall not serve concurrently as supervisors.

Article 147 The means and procedure of nomination for supervisors shall be:

The board of supervisors and the shareholder(s) individually or jointly holding at least 3% voting shares of the Company may nominate candidates for non-employee representative supervisors, while the board of supervisors will review the qualifications, and if the candidates meet the qualifications, the board of supervisors will submit the list to the general meeting

for voting.

The employee representative supervisors are democratically elected by the employees of the Company through the employee representative meeting, the employee meeting or other means.

- Article 148 The supervisors shall observe the laws, administrative regulations and the Articles of Association. They shall shoulder the duties of loyalty and due diligence to the Company, and shall not accept any bribery or other illegal income by using their powers and position, or seize the assets of the Company.
- Article 149 Each supervisor shall serve for a term of three years, and may be re-elected upon expiry of its term of office.
- Article 150 Supervisors may resign before the expiration of their term. The provisions of the Articles of Association regarding the resignation of directors shall apply to supervisors.
- Article 151 The original supervisor shall continue to perform its duties in accordance with the laws, administrative regulations and the Articles of Association until a re-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of its term of office, or if the resignation of supervisor results in the number of supervisors being less than the quorum.
- Article 152 Supervisors shall ensure that information disclosed by the Company is true, accurate and complete.
- Article 153 Supervisors may attend board of directors meetings and may raise queries or proposals regarding matters resolved at such meetings.
- Article 154 Supervisors shall not prejudice the interests of the Company by means of their connected relationship or they shall be liable for compensation for any loss caused to the Company.
- Article 155 If supervisors have violated the provisions of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing their duties, which has caused losses to the Company, they shall be liable for compensation.

Section 2 Board of Supervisors

- Article 156 The Company shall have a board of supervisors, which shall consist of three supervisors. The board of supervisors shall have one chairman, who shall be selected by at least one half of all supervisors. The chairman of the board of supervisors shall convene and preside over meetings of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform its duties, a supervisor jointly selected by at least one half of the supervisors shall convene and preside over the meeting of the board of supervisors.

The board of supervisors shall consist of shareholder's representatives and employee's representatives, of which employee's representatives shall account for no less than one-third.

- Article 157 The board of supervisors exercises the following powers:
- (1) review regular reports prepared by the board of directors and provide review opinions in

writing;

(2) examine the financial standing of the Company;

(3) supervise the Company's duties performing of directors and senior management, and put forward suggestions for dismissing any directors or senior management who are in breach of the laws, administrative regulations, the Articles of Association or resolutions of the general meetings;

(4) require the directors and senior management to take corrective measures when their actions are detrimental to the Company's interests;

(5) propose to convene an extraordinary general meeting and to convene and preside over the general meeting when the board of directors fails to perform its duty to convene and preside over a general meeting prescribed in the Company Law;

(6) submit proposals to the general meetings;

(7) bring a lawsuit against any director or senior manager in accordance with the Company Law;

(8) conduct investigation if any abnormality in the operation of the Company is found, and, where necessary, engage an accounting firm, law firm or any other specialized agency to assist in its work at the expense of the Company;

(9) other powers conferred by laws, administrative regulations, departmental rules, the listing rules of the place where the shares of the Company are listed or the Articles of Association.

Article 158 Meetings of the board of supervisors are classified as regular meetings and extraordinary meetings.

At least one regular meeting of the board of supervisors shall be held every six months. A supervisor can propose to convene an extraordinary meeting of the board of supervisors. A notice of regular or extraordinary meetings of the board of supervisors shall be given to all supervisor 10 days and 5 days prior to the meetings respectively.

Article 159 A notice of meeting of the board of supervisors shall include the followings:

(1) the date, venue and duration of the meeting;

(2) the subject matter and issues;

(3) the date the notice is given.

Article 160 Should an extraordinary meeting of the board of supervisors be required to convene as soon as possible in case of emergency, the notice of meeting of the board of supervisors may be given orally, which shall at least include the date, venue, subject matter and issues of the meeting, as well as an explanation of the emergency to convene an extraordinary meeting of the board of supervisors as soon as possible.

The board of supervisors shall formulate the rules of procedure of the board of supervisors, which shall specify the procedures for the discussion of matters and voting at such meetings so as to ensure the efficiency of the work and rationality of the decisions of the board of supervisors. The rules of procedure of the board of supervisors shall be annexed to the Articles of Association and shall be prepared by the board of supervisors and approved by the

general meeting.

- Article 161 Proceedings of the board of supervisors: each supervisor shall have one vote.
- Article 162 Resolutions of the board of supervisors shall be passed by more than half of the supervisors.
- Article 163 The extraordinary meeting of the board of supervisors can be held by means of video conference, teleconference or written signing and resolution can be made provided that the supervisors' chances to fully express their opinions are guaranteed. Supervisors attending the meeting shall sign their names.
- Article 164 The board of supervisors shall prepare meeting minutes on matters discussed. Supervisors attending the meeting shall sign on the meeting minutes.

A supervisor is entitled to request the addition to the minutes of some explanatory record concerning its speech made during the meeting. Minutes of the meeting of board of supervisors shall be kept as a company file for a period of no less than ten years.

CHAPTER 8 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting System

- Article 165 The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the requirement of relevant regulatory departments of the PRC.
- Article 166 The Company shall adopt the Gregorian calendar year as its fiscal year, which shall commence on January 1 and end on December 31 of the same Gregorian calendar year. The Company shall prepare financial and accounting reports at the end of each fiscal year. Such reports shall be audited by an accounting firm in accordance with the law. Financial and accounting reports shall be prepared in accordance with provisions of relevant laws, administrative regulations and departmental rules.
- Article 167 The Company shall publish financial reports prepared in accordance with either the international accounting standards or that of the place overseas where the Company's shares are listed twice every fiscal year, namely an interim financial report within three months after the end of the first six months of each fiscal year and an annual financial report within four months after the end of the fiscal year.

The Company shall publish results announcements twice every fiscal year, namely an interim results announcement within two months after the end of the first six months of each fiscal year and an annual results announcement within three months after the end of the fiscal year.

Where relevant laws, administrative regulations, the securities regulatory authorities in the place where the Company's shares are listed and the Hong Kong Stock Exchange have other provisions regarding the above announcements, such provisions shall prevail.

The aforesaid annual financial accounting reports, interim results or financial information shall

be prepared in accordance with relevant laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 168 The Company shall not keep accounts other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

Article 169 When the Company distributes its after-tax profits for a given year, it shall set aside 10 percent of profits for its statutory common reserve. The Company shall no longer be required to make allocations to its statutory common reserve once the aggregate amount of such reserve reaches at least 50 percent of its registered capital.

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

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

After the Company has made up its losses and made allocations to its common reserves, the remaining after-tax profits of the Company shall be distributed in proportion to the shareholdings of its shareholders.

If the general meeting breaches the Company Law by distributing profits to shareholders, the shareholders must return to the Company the profits that were distributed in breach of the said provisions. Shareholders, responsible directors and senior managements who have caused losses to the Company shall be liable for compensation.

No profit distribution shall be made in respect of the shares of the Company which are held by the Company.

Article 170 The Company's common reserves shall be used to make up the Company's losses, to expand the Company's production and operations or, through conversion into capital, to increase the Company's registered capital.

When the reserve fund is used to make up for the Company's losses, the discretionary reserve fund and statutory reserve fund shall be utilised at first; if still insufficient, the capital reserve fund may be used according to regulations.

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

Article 171 The Company values reasonable investment returns for investors while balancing sustainable development, and the profit distribution policy should maintain continuity and stability. The Company can distribute profits in the form of cash, stock, or a combination of both, with the principle preference given to cash dividends. Profit to be distributed must not exceed the scope of accumulated distributable profits and should not impair the Company's ability to sustain its operations.

The annual profit distribution proposal is drafted by the board of directors based on the Company's profitability, capital supply, and demand conditions. After approval by the board

of directors, it is submitted to the general meeting for review.

Based on the Company's profitability and capital needs, the board of directors of the Company may propose interim profit distribution or special profit distribution, which requires approval from the general meeting of the Company.

The Company's profit distribution policy will maintain consistent and stable. If adjustments to the profit distribution policy are required due to significant changes in the external business environment or the Company's own operating conditions, such adjustments must be approved by the board of directors and then submitted to the general meeting for approval.

Article 172 Cash dividends and other payments by the Company to holders of unlisted shares of the Company shall be distributed and paid in Renminbi, whereas those to holders of H Shares shall be denominated and declared in Renminbi and paid in Hong Kong dollars or Renminbi. The foreign currency for the cash dividends and other payments by the Company to holders of H Shares shall be handled in accordance with state regulations on foreign exchange control.

Article 173 Unless otherwise provided in relevant laws and administrative regulations, where cash dividends and other payments are paid in Hong Kong dollars, the average selling price of the relevant foreign exchange posted by the People's Bank of China for the Gregorian calendar week immediately preceding the date of declaration of the dividends or other payments shall be used as the exchange rate.

Section 2 Internal Audit

Article 174 The Company shall implement its internal audit system with its own audit personnel to audit and supervise and inspect the Company's business activities, risk management, internal control, and financial information.

The internal audit system of the Company and the duties of auditors shall come into effect upon the approval of the board of directors.

Article 175 The internal audit institution is accountable to the board of directors.

The internal audit institution should accept the supervision and guidance of the Audit Committee during the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information.

The internal audit institution should immediately report directly to the audit committee upon discovering any relevant major issues or clues.

The internal audit institution shall report to the Audit Committee on the internal control work for the year within three months after the end of the accounting year.

Section 3 Engagement of Accounting Firm

Article 176 The Company shall engage an accounting firm which complies with laws and regulations and has a good reputation to audit the financial statements, and provide net assets verification and other related consulting services for a term of one year. The appointment of accounting firm may be renewed upon the expiry of its term.

- Article 177 The engagement and dismissal of an accounting firm shall be submitted to the board of directors for consideration after being approved by more than half of all members of the Audit Committee and shall be determined by the general meeting. The board of directors shall not appoint any accounting firm prior to a decision made by the general meeting.
- Article 178 The Company guarantees that the accounting documents, account books, financial and accounting reports and other information related to accounting which are provided to the accountants by the Company are true and complete. The Company must neither reject to provide information, nor hide it, nor lie about it.
- Article 179 The audit fee of an accounting firm shall be determined by the general meeting.
- Article 180 15 days' prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment thereof. The accounting firm shall be entitled to make representations when the resolution regarding the removal of the accounting firm is considered at the general meeting of the Company.
- Article 181 Where the accounting firm proposes to resign, it shall explain to the general meeting whether there has been any impropriety on the part of the Company.

CHAPTER 9 NOTICES

- Article 182 Notices of the Company shall be sent via the following methods:
- (1) by hand;
 - (2) by email or post;
 - (3) by publishing on the Company's website or websites designated by the Hong Kong Stock Exchange, subject to applicable laws, administrative regulations, departmental rules, normative documents and the Hong Kong Listing Rules;
 - (4) other ways required by the Articles of Association.
- Where a notice is served by way of announcement, after the publication of such announcement, all related persons (including all holders of unlisted shares of the Company and holders of H Shares) shall be deemed to have received the relevant notice.
- Article 183 The notice of the general meeting of the Company shall be made by hand, email, post, announcement or other methods specified by the rules of procedure of the general meeting.
- Article 184 The meeting notice of the board of directors of the Company shall be made by hand, email, post, announcement or other methods specified by the rules of procedure of the board of directors.
- Article 185 The meeting notice of the board of supervisors of the Company shall be made by hand, email, post, announcement or other methods specified by the rules of procedure of the board of supervisors.
- Article 186 For a notice of the Company delivered by hand, the addressee shall sign (or stamp) on the receipt of the delivery, and the date of acknowledgement of receipt signed by the addressee shall be deemed as the date of delivery; where a notice of the Company is sent by post, the

fifth working day after the notice is delivered to post office shall be deemed as the date of delivery; where a notice of the Company is made by email, the date of issue shall be deemed as the date of delivery; where a notice of the Company is made via announcement, the date on which the announcement is published for the first time shall be deemed as the date of delivery.

- Article 187 The accidental omission to give a notice of a meeting to or the non-receipt of notice of a meeting by any person who is entitled to receive the notice shall not invalidate the meeting and the resolutions passed at such meeting.

CHAPTER 10 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Capital Increase and Capital Reduction

- Article 188 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

Where one company is absorbed by another in a merger by absorption, the absorbed company is dissolved. When two or more companies merge to establish a new company, the parties to the merger dissolve.

- Article 189 If the payment for a merger to be made by a company does not exceed 10% of its net assets, a resolution of the general meeting is not required for the merger, unless otherwise stipulated in the Articles of Association.

In cases where a merger is not subject to a resolution of the general meeting according to above, it shall be subject to a resolution of the board of directors.

- Article 190 In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days as of the date of the Company's resolution on merger and shall make an announcement within 30 days as of the date of the Company's resolution on merger.

Creditors may, within 30 days after receipt of such notice from the Company, or within 45 days as of the date of the announcement for those who do not receive such notice, to demand that the Company repay their debts to that creditor or provide a corresponding guarantee for such debts.

- Article 191 After the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.

- Article 192 When the Company is divided, its assets shall be split up accordingly.

In the event of a division of the Company, the Company shall prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days as of the date of the Company's resolution on division and shall make an announcement within 30 days as of the date of the Company's resolution on division.

- Article 193 Unless otherwise agreed by the Company and creditors on settling liabilities in writing prior to the division, debts incurred by the Company before its division shall be jointly borne by the companies after the division.
- Article 194 The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.
- The Company shall notify its creditors within 10 days from the date of the Company's resolution on reduction in registered capital and shall publish an announcement on the newspaper(s) or through channels such as National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor has the right, within 30 days after receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within 45 days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.
- When the Company proposes to reduce its registered capital, it shall correspondingly reduce the amount of capital contribution or shares held by shareholders in proportion to their shareholdings, unless otherwise stipulated by law or the Articles of Association.
- The registered capital of the Company following the reduction in capital shall not fall below the minimum statutory requirement.
- Article 195 Where the Company still incurs losses after making up its losses in accordance with Paragraph 2 of Article 170 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not make distribution to its shareholders, nor exempt the shareholders from their obligation to make capital contribution or calls on share.
- The provisions of the Paragraph 2 of Article 194 of the Articles of Association shall not apply to the reduction in the registered capital in accordance with the preceding paragraph. The Company shall publish an announcement on the newspaper(s) or National Enterprise Credit Information Publicity System within 30 days from the date of the resolution on the reduction of its registered capital at general meeting.
- After reducing its registered capital in accordance with the provisions of the preceding two paragraphs, the Company shall not distribute profits until the cumulative amount of its statutory common reserve fund and discretionary common reserve fund reaches 50% of its registered capital.
- Article 196 If the reduction of the registered capital is in violation of the Company Laws and other relevant regulations, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the liable directors and senior management shall be liable for compensation.
- Article 197 Where an increase in registered capital of the Company is made by means of issue of new shares, the shareholders do not have any pre-emptive right unless otherwise stipulated in the Articles of Association or the general meeting resolves that the shareholders shall have pre-emptive right.
- Article 198 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the

law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

When the Company increases or reduces its registered capital, such changes shall be registered with the company registration authority in accordance with the law.

Section 2 Dissolution and Liquidation

Article 199 The Company shall be dissolved due to any of the following reasons:

- (1) the term of operation expires, or any dissolution events as stipulated in the Articles of Association occur;
- (2) a resolution for dissolution is passed at a general meeting;
- (3) dissolution as a result of a merger or division of the Company;
- (4) the business license of the Company is revoked, or the Company is ordered to close down or is closed down in accordance with laws;
- (5) shareholders holding not less than 10% of the voting rights of the Company applies to the People's court for dissolution when the Company experiences severe difficulties in its operations and management and continual operation of the Company will bring significant losses to the interest of shareholders while there are no other ways to resolve the difficulties.

If the Company encounters the grounds for dissolution as stipulated in the preceding paragraph, it shall publicly announce the grounds for dissolution through the National Enterprise Credit Information Publicity System within 10 days.

Article 200 Where the situation set forth in paragraph (1) and (2) of Article 199 of the Articles of Association occurs, and no property has been distributed to its shareholders, the Company may continue to exist by amending the Articles of Association or with approval of the general meeting.

Amendments to the Articles of Association or resolutions made by the general meeting in accordance with preceding paragraph shall be passed by a vote representing more than two-thirds of the voting rights of the shareholders present at the general meeting.

Article 201 Should the Company dissolve due to reasons stipulated in the items (1), (2), (4) and (5) of Article 199 of the Articles of Association, it shall be liquidated. The directors, who are the liquidation obligors of the Company, shall set up a liquidation committee to carry out liquidation within 15 days after the occurrence of the dissolution event.

The liquidation committee shall comprise directors or members determined by the general meeting.

Where the liquidation obligors fail to fulfil their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation. If a liquidation committee is not established within the time limit, creditors may apply to the People's court for the establishment of a liquidation committee comprising designated persons.

- Article 202 During the liquidation period, the liquidation committee shall exercise the following functions and powers:
- (1) to ascertain the Company's assets and separately prepare a balance sheet and an inventory of assets;
 - (2) to notify creditors by sending notice or by making announcement;
 - (3) to deal with and settle the Company's outstanding business deals in relation to the liquidation;
 - (4) to settle outstanding taxes and taxes incurred in the course of liquidation;
 - (5) to ascertain all claims and debts;
 - (6) to dispose of the remaining assets of the Company after the repayment of debts;
 - (7) to represent the Company in any civil proceedings.
- Article 203 The liquidation committee shall notify creditors within 10 days from the date of its establishment and make an announcement within 60 days commencing from that date. Creditors shall, within 30 days after receipt of the notice, or for those who do not receive the notice, within 45 days from the date of the announcement, declare their claims to the liquidation committee.
- In reporting claims, a creditor shall explain the relevant particulars of the claims with supporting materials. The liquidation committee shall register the creditor's claims.
- During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.
- Article 204 After ascertaining the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit the same at the general meeting or to the People's Court for confirmation.
- Article 205 The remaining properties of the Company, after payment of liquidation expenses, wages, social insurance contribution and statutory compensation of staff, taxes and debts of the Company, shall be distributed in proportion to the shareholdings of shareholders. The assets of the Company shall not be distributed to shareholders before the settlement of debts in accordance with the preceding article.
- Article 206 During the liquidation period, the Company shall continue to exist but shall not carry out any business activities not relating to liquidation.
- Article 207 If the liquidation committee, after ascertaining the Company's assets and preparing a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to repay its debts, it shall apply to the People's Court in accordance with the law for a declaration of bankruptcy.
- After the Company is declared bankrupt by a ruling of the People's Court, the liquidation committee shall transfer the liquidation matters to the People's Court.
- Article 208 Following the completion of liquidation, the liquidation committee shall present a report on liquidation which shall be submitted to the general meeting or the People's Court for confirmation. The liquidation committee shall also submit such report to the company

registration authority and apply for cancellation of registration of the Company, and announce the termination of the Company.

Article 209 The members of the liquidation committee shall be devoted to their duties and perform their liquidation obligations in accordance with law.

The members of the liquidation committee shall not accept any bribes or any other illegal income by making use of their functions and powers, nor may they seize any assets of the Company.

The members of the liquidation committee shall be responsible for compensation should they deliberately or through material negligence cause losses to the Company or to creditors.

Article 210 If the Company is declared insolvent pursuant to law, insolvent liquidation shall be proceeded in accordance with laws regarding enterprise insolvency.

CHAPTER 11 AMENDMENT TO THE ARTICLES OF ASSOCIATION

Article 211 The Company shall make amendments to the Articles of Association upon occurrence of any of the following events:

(1) the Company Law or the relevant laws, administrative regulations, departmental rules, normative documents or listing rules of the place where the shares of the Company are listed are amended and the provisions under the Articles of Association are contradictory to relevant provisions after such provisions are amended;

(2) any change of the Company's conditions is contradictory to what is stated in the Articles of Association;

(3) the general meeting has decided to make amendments to the Articles of Association.

Article 212 The following procedures shall be followed when amending the Articles of Association:

(1) the board of directors shall first pass a resolution for the amendment of the Articles of Association and prepare a proposal for amendments to the Articles of Association;

(2) the board of directors shall convene a general meeting for voting on such proposal of amendment to the Articles of Association;

(3) the general meeting shall approve such proposal by special resolution;

(4) the Company shall submit the amended Articles of Association to the Company for filing with the competent administration for market regulation of the Company for record.

Article 213 Any amendment to the Articles of Association passed by way of resolution at the general meeting shall be submitted to relevant competent authorities for approval if required. If there is any change relating to the registered particulars of the Company, application shall be made for the changes in accordance with the laws.

Article 214 The board of directors shall amend the Articles of Association in accordance with the resolution on amendments to the Articles of Association passed at the general meeting and the approval opinions of the relevant competent authorities.

Article 215 Any amendment to the Articles of Association shall be subject to announcement if so required by relevant laws and administrative regulations.

CHAPTER 12 SUPPLEMENTARY PROVISIONS

Article 216 The board of directors may formulate detailed rules of the Articles of Association in accordance with the provisions thereof. Such detailed rules shall not contravene the provisions in the Articles of Association.

Article 217 The Articles of Association is written in Chinese. In case of any discrepancies among the various versions in different languages, the latest Chinese version approved by and registered with the competent administration for market regulation of the Company shall prevail.

Article 218 The figure itself shall be included if the Articles of Association refers to any such words as “above”, “within”, “below” or “no less than”; the figure itself shall not be included if the Articles of Association refer to any such words as “over”, “exceeding”, “other than”, “less than” or “more than”.

The “controlling shareholder” referred to in the Articles of Association shall have the meaning as defined in the Hong Kong Listing Rules.

The “de facto controller” as used in the Articles of Association refers to a natural person, legal entity or other organization that can actually control the activities of the Company through investment relationships, agreements or other arrangements.

The “foreign investors” as used in the Articles of Association refers to investors from foreign countries or Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company.

The “domestic investors” as used in the Articles of Association refers to investors within the territory of the PRC, excluding the above-mentioned regions, that subscribe for shares issued by the Company.

The “connected transaction” referred to in the Articles of Association shall have the meaning as defined in the Hong Kong Listing Rules.

Article 219 Where the Articles of Association conflicts with the relevant provisions of the Hong Kong Listing Rules and other relevant laws, regulations and normative documents promulgated from time to time, the relevant provisions of the Hong Kong Listing Rules and other relevant laws, regulations and normative documents shall prevail.

Article 220 The board of directors shall be responsible for the interpretation of the Articles of Association.

Article 221 The appendices to the Articles of Association include the rules of procedure of the general meeting, the rules of procedure of the board of directors and the rules of procedure of the board of supervisors. In case of any discrepancy between the rules of procedure of the general meeting, the rules of procedure of the board of directors and the rules of procedure of the board of supervisors and the Articles of Association, the Articles of Association shall prevail.

Article 222 The Articles of Association shall take effect and be adopted after consideration and approval by the general meeting of the Company, and the original Articles of Association shall be

repealed at the same time.