

**Sino-Synergy Hydrogen Energy Technology (Jiaying) Co., Ltd.**

**The Articles of Association**

**December 2023**

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# Sino-Synergy Hydrogen Energy Technology (Jiaxing) Co., Ltd.

## The Articles of Association

### Chapter 1 General Provisions

**Article 1** In order to regulate the organization and activities of Sino-Synergy Hydrogen Energy Technology (Jiaxing) Co., Ltd. (the “**Company**”) and safeguard the legitimate rights and interests of the Company, its shareholders and creditors, the Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the “**Trial Administrative Measures**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Listing Rules of the Hong Kong Stock Exchange**”) and other relevant laws and regulations.

**Article 2** The Company is a joint stock limited company established in accordance with the Company Law and other laws, regulations and regulatory documents.

The Company was established by way of promotion and changed from Guangdong Sino-Synergy Hydrogen Energy Technology Co., Ltd. (廣東國鴻氫能科技有限公司) to a joint stock limited company. It was registered with the Yunfu Administration for Market Regulation (雲浮市市場監督管理局) on 22 March 2022 and obtained the Business License (Unified Social Credit Code: 91445300345445136E).

**Article 3** The Company was approved by the China Securities Regulatory Commission (the “**CSRC**”) and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) on 5 December 2023. The Company has been approved to issue no more than 79,520,000 share of overseas listed shares with a par value of RMB1 each, all of which are ordinary shares.

Shareholders holding domestic unlisted shares of the Company who apply to convert their domestic unlisted shares into overseas listed shares for listing on the Hong Kong Stock Exchange shall comply with the relevant requirements of the CSRC and entrust the Company to file with the CSRC. Shareholders applying to convert their domestic unlisted shares into overseas listed shares for listing on the Hong Kong Stock Exchange are not required to convene a general meeting for voting.

The domestic unlisted shares referred to in the preceding paragraph refer to the shares issued by a domestic enterprise which are not listed or quoted on a domestic exchange.

**Article 4** Registered name of the Company: 國鴻氫能科技(嘉興)股份有限公司, and the English name is: Sino-Synergy Hydrogen Energy Technology (Jiaxing) Co., Ltd.

**Article 5** Company’s address: Room 501-2, Block No. 37 Hangzhou Bay New Economic Park, Port District, Jiaxing City, Zhejiang Province; Postal Code: 314201.

**Article 6** The registered capital of the Company is RMB518.041669 million.

**Article 7** The Company is a joint stock limited company existing in perpetuity.

**Article 8** The chairman of the Board is the legal representative of the Company.

**Article 9** The entire assets of the Company are divided into equal shares, and the shareholders are liable for the Company to the extent of their subscribed shares, while the Company is liable for its debts to the extent of its entire assets.

**Article 10** From the date on which the Articles of Association come into effect, they shall be a legally binding document that regulates the Company's organization and activities and governs the rights and obligations between the Company and its shareholders and amongst the shareholders themselves, as well as a legally binding document for the Company, the shareholders, the directors, the supervisors and the senior management. Pursuant to the Articles of Association, shareholders may institute legal proceedings against shareholders, shareholders may institute legal proceedings against directors, supervisors, the general manager, and other senior management members of the Company, shareholders may institute legal proceedings against the Company, and the Company may institute legal proceedings against shareholders, directors, supervisors, the general manager, and other senior management members.

**Article 11** Other senior management members stated in this Articles of Association refers to the deputy general manager, secretary to the Board of Directors, person-in-charge of finance and other senior management members appointed by the Board of Directors of the Company.

**Article 12** The Company may, if necessary, establish subsidiaries, branches or representative offices within or outside the PRC in accordance with the laws of the PRC and the Articles of Association.

**Article 13** The Company shall establish the Organization of the Communist Party and carry out Party activities in accordance with the relevant regulations 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 14** The business purpose of the Company is: Lead the way in hydrogen energy and create the future together.

**Article 15** After being registered according to law, the business scope of the Company is: general project: battery manufacturing; battery sales; manufacturing of generators and generator sets; sales of generators and generator sets; manufacturing of transmission and distribution and control equipment; motor manufacturing; manufacturing of gas, liquid separation and pure equipment; sales of gas, liquid separation and pure equipment; technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; engineering and technology research and experimental development; sales of new energy vehicles; sales of hydrogen refueling stations and hydrogen storage facilities; energy storage technology services; engaging in investment activities with its own funds; leasing of non-residential properties; electrical equipment repair; import and export of goods; technology import and export. (Except for projects subject to approval in accordance with the law, business activities shall be carried out independently according to the law with business license) (approvals from competent authorities shall be obtained for the operation of the activities requiring approval in accordance with the laws.)

## Chapter 3 Shares

### Section 1 Issuance of Shares

**Article 16** The shares of the Company are in the form of registered share certificates.

If the share capital of the Company includes non-voting shares, the name of such shares shall be attached with “No Voting Right” If equity capital contains shares with different class of voting rights, each class of share (except the most preference shares) shall be marked “limited voting rights” or “restricted voting rights”.

Transfer of shares shall be recorded in the register of members. The Company may keep overseas the register of holders of overseas listed foreign shares and entrust the administration thereof to an overseas agent in accordance with the understanding and agreement reached between the Securities Regulatory Authorities of the State Council and the overseas Securities Regulatory Authorities. The original register of holders of overseas listed foreign shares listed in Hong Kong shall be kept in Hong Kong. Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.

The Company shall keep a complete register of members. The register of members shall include the following parts: (I) the register(s) of shareholders kept at the Company’s domicile other than those specified in items (II) and (III) of this Article; (II) the register(s) of holders of overseas listed foreign shares kept in the place(s) of the overseas stock exchange(s) where the shares are listed; (III) the register(s) of shareholders kept in other places as the Board may decide and consider necessary for listing purposes.

Changes and corrections to each part of the register of members shall be carried out in accordance with the laws of the places where each part is kept.

**Article 17** The Company shall issue shares under the principles of openness, fairness and equality and shares of the same class shall carry the equal rights.

Shares of the same class issued at the same time shall be issued under the same condition and at the same price; the same price shall be paid for each share subscribed for by any entities or individuals.

**Article 18** All shares issued by the Company shall have a par value denominated in Renminbi.

**Article 19** Among the shares issued by the Company, domestic unlisted shares shall be registered and deposited at the domestic securities registration and clearing institution, and the registration and settlement arrangements for overseas listed shares shall be subject to the regulations of the overseas listing place.

**Article 20** The Company's promoters and the number of shares they subscribed, shareholding ratio and the form and time of making capital contributions are as follows:

No.	Name of promoters	Number of shares subscribed (shares)	The form of making capital contributions	Paid-in status	Shareholding ratio (%)
1	Guangdong Hongyun Hydrogen Energy Technology Co., Ltd.	80,000,000	shares converted from net assets	paid up	21.2980
2	Guangdong Foshan (Yunfu) Industrial Transfer Industrial Park Investment Development Co., Ltd.	68,000,000	shares converted from net assets	paid up	18.1033
3	Shenzhen Rongdingze Investment Centre (Limited Partnership)	23,220,135	shares converted from net assets	paid up	6.1818
4	Shanghai Hongcheng Start-up Investment Partnership (Limited Partnership)	13,340,000	shares converted from net assets	paid up	3.5514
5	Shanghai Jucheng Start-up Investment Partnership (Limited Partnership)	6,660,000	shares converted from net assets	paid up	1.7731
6	Gongqingcheng Hongsheng Fengying Investment Partnership (Limited Partnership)	7,350,000	shares converted from net assets	paid up	1.9568
7	Shanxi Meijin Energy Co., LTD.	20,000,000	shares converted from net assets	paid up	5.3245
8	Gongqingcheng Shuida Yuda Technology Industry Investment Center (Limited Partnership)	22,857,142	shares converted from net assets	paid up	6.0851
9	Zhangjiagang Greenway Hydrogen Energy Development Investment Center (Limited Partnership)	12,087,912	shares converted from net assets	paid up	3.2181
10	Qingdao Huayi Taihong Venture Capital Center (Limited Partnership)	5,495,604	shares converted from net assets	paid up	1.4631
11	Guangzhou Chengxin Venture Capital Co., Ltd.	4,659,340	shares converted from net assets	paid up	1.2404
12	Shenzhen Jiajiatai Business Information Partnership Enterprise (Limited Partnership)	5,494,505	shares converted from net assets	paid up	1.4628
13	Guangdong Yuecai SME Equity Investment Fund Partnership (Limited Partnership)	3,296,703	shares converted from net assets	paid up	0.8777
14	Ningbo Lingyu Enterprise Management Partnership (Limited Partnership)	2,967,033	shares converted from net assets	paid up	0.7899
15	Zhuhai Hengqin Yixing Banyue Investment Partnership (Limited Partnership)	32,967	shares converted from net assets	paid up	0.0088
16	Qingdao Chengtou Hydrogen Power Partnership (Limited Partnership)	26,400,000	shares converted from net assets	paid up	7.0283

No.	Name of promoters	Number of shares subscribed (shares)	The form of making capital contributions	Paid-in status	Shareholding ratio (%)
17	Yangzhou Guangling Orient Securities Emerging Industry Investment Fund Partnership (Limited Partnership)	8,000,000	shares converted from net assets	paid up	2.1298
18	Qingdao Chengsheng Investment Management Co., Ltd.	3,600,000	shares converted from net assets	paid up	0.9584
19	Qingdao Hongta Innovation Equity Investment Partnership (Limited Partnership)	3,000,000	shares converted from net assets	paid up	0.7987
20	SME Development Fund (Shenzhen Limited Partnership)	2,500,000	shares converted from net assets	paid up	0.6656
21	Zhuhai Hengqin Zhuoneng Equity Investment Partnership (Limited Partnership)	11,819,000	shares converted from net assets	paid up	3.1465
22	Shenzhen Runtu Xiangcheng Investment Center (Limited Partnership)	1,250,000	shares converted from net assets	paid up	0.3328
23	Foshan Yuanteng Equity Investment Partnership (Limited Partnership)	900,000	shares converted from net assets	paid up	0.2396
24	Chongqing Yu Hydrogen Private Equity Investment Fund Partnership (Limited Partnership)	8,461,538	shares converted from net assets	paid up	2.2527
25	Hangzhou Yonglongyi Investment Partnership (Limited Partnership)	5,692,308	shares converted from net assets	paid up	1.5154
26	Shanghai Chenghu Enterprise Management Center (Limited Partnership)	3,850,000	shares converted from net assets	paid up	1.0250
27	Shenghui New Energy Co., Ltd.	3,846,154	shares converted from net assets	paid up	1.0239
28	Gongqingcheng Hydrogen Hong New Energy Industry Investment Partnership (Limited Partnership)	576,923	shares converted from net assets	paid up	0.1536
29	Hainan Dingxin Venture Capital Fund Partnership (Limited Partnership)	835,165	shares converted from net assets	paid up	0.2223
30	Gongqingcheng Zeyuan Investment Partnership (Limited Partnership)	5,000,000	shares converted from net assets	paid up	1.3311
31	Gongqingcheng Hongsheng Fengtai Investment Partnership (Limited Partnership)	4,585,000	shares converted from net assets	paid up	1.2206
32	Gongqingcheng Hongsheng Fengyuan Investment Partnership (Limited Partnership)	3,065,000	shares converted from net assets	paid up	0.8160

No.	Name of promoters	Number of shares subscribed (shares)	The form of making capital contributions	Paid-in status	Shareholding ratio (%)
33	Guangdong Kaiding Hongtu Equity Investment Partnership (Limited Partnership)	2,778,523	shares converted from net assets	paid up	0.7397
34	Foshan Kaiding Hongxin Hydrogen Energy Equity Investment Partnership (Limited Partnership)	4,001,342	shares converted from net assets	paid up	1.0653
	<b>Total</b>	<b><u>375,622,294</u></b>	<b>-</b>	<b>-</b>	<b><u>100.0000</u></b>

**Article 21** The Company was approved by the CSRC on 30 March 2023, and approved by the Hong Kong Stock Exchange on 4 December 2023 to issue overseas listed foreign shares. Upon completion of the initial public offering of H Shares, the total number of shares of the Company is 518,041,669 on the listing date, all of which are ordinary shares.

**Article 22** The Company or its subsidiaries (including affiliates of the Company) shall not provide assistance to purchasers or potential purchasers of the Company's shares by way of gift, advance, guarantee, compensation or loans.

## **Section 2 Increase, Reduction and Repurchase of Shares**

**Article 23** Based on operational and development needs and in accordance with the provisions of laws, regulations and the listing rules of the place where the shares of the Company are listed, the Company may, subject to resolution at a general meeting, increase its capital by way of:

- (I) public offering of shares;
- (II) non-public offering of shares;
- (III) distributing bonus shares to its existing shareholders;
- (IV) converting the reserve funds of the Company into share capital;
- (V) other means as permitted by the laws, administrative regulations and approved by the CSRC.

**Article 24** The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the Company Law, the Listing Rules of the Hong Kong Stock Exchange and other relevant regulations as well as the procedures stipulated in this Articles of Association.

**Article 25** The Company shall not acquire the Shares of the Company with one of the following exceptions:

- (I) Reducing the registered capital of the Company;
- (II) Merging with another company that holds the shares of the Company;
- (III) Granting the shares for the employee stock ownership programs scheme or as share incentives;
- (IV) Shareholders who disagree with the resolutions for the merger and separation of the Company made in a general meeting may demand the Company to repurchase their shares;
- (V) Using the shares to satisfy the conversion of corporate bonds convertible into the shares issued by the Company;
- (VI) Safeguarding corporate value and shareholders' rights as deems necessary.

When relevant laws and regulations, regulatory documents and relevant regulations of the securities regulatory authority where the shares of the Company are listed provide otherwise on matters related to the aforementioned share repurchase, such provisions shall prevail.

**Article 26** Where the Company repurchases its shares, a public and centralized trading method or other methods recognized by laws, regulations and the CSRC shall be adopted. If the Company intends to repurchase its shares under the circumstances set out in items (III), (V) and (VI) of Article 25 of the Articles of Association, the repurchase shall be conducted through open centralized trading.

**Article 27** The shares repurchase by the Company for the reasons set out in items (I) and (II) of Article 25 of the Articles of Association, shall be subject to resolution at a general meeting. The shares repurchase by the Company under the circumstances prescribed in items (III), (V) and (VI) of Article 25 of the Articles of Association shall be subject to resolution at Board meeting where over two-thirds of the directors are present, in accordance with the authorization by a general meeting. After the Company has repurchased its shares in accordance with the Article 25 of the Articles of Association, such shares, in case of the circumstance described item (I), shall be cancelled within 10 days after repurchase; or in case of the circumstances described in items (II) and (IV), shall be transferred or cancelled within 6 months; or in case of the circumstances described in items (III), (V) and (VI), shall be transferred or cancelled within three years, provided that the aggregate number of the shares held by the Company shall not exceed 10% of the total number of issued shares of the Company.

### Section 3 Transfer of Shares

**Article 28** Shares of the Company can be transferred in accordance with laws. The shares of the Company are listed and traded on the Hong Kong Stock Exchange.

Transfer of overseas listed foreign shares listed in Hong Kong shall be executed with a written transfer instrument in a general or common form or any other form accepted by the board of directors (including the standard transfer instrument or transfer forms as prescribed by the Hong Kong Stock Exchange from time to time). The transfer instrument may only be signed by hand or affixed with the seal of a company (if the transferor or transferee is a company). If the transferor or the transferee is a recognized clearing house or proxy as defined by relevant provisions of the Hong Kong laws in force from time to time, the transfer instrument can be signed by hand or print. All transfer instruments shall be kept at the legal address of the Company or other place designated by the board of directors from time to time.

**Article 29** The Company shall not accept its own shares as collateral.

**Article 30** The shares of the Company held by the promoters shall not be transferred within one year from the date of establishment of the Company. The shares issued before the public issuance of shares by the Company shall not be transferred within one year from the date when the shares of the Company are listed and traded in a stock exchange.

**Article 31** The directors, supervisors and senior management of the Company shall report to the Company their shareholdings in the Company and changes therein and shall not transfer more than 25% of the total number of shares of the Company held by them each year during the terms of office; the shares of the Company held by them shall not be transferred within one year from the date when the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within six months from the date when they leave office.

**Article 32** For shareholders holding more than 5% of the Company's shares, directors, supervisors and senior management, if they have sold the shares of the Company or other securities with equity nature held by them within six months after purchasing, or if they have purchased such shares or securities again within six months after selling them, the gains obtained therefrom shall be attributed to the Company and be forfeited by the Board of Directors of the Company. However, securities companies holding more than 5% of the shares due to the purchase of the remaining shares after underwriting, and other circumstances stipulated by the CSRC are excluded.

The shares or other securities with equity nature held by directors, supervisors, senior management and natural person shareholders as mentioned in the preceding paragraph shall include the shares or other securities with equity nature held by their spouses, parents, children, and those held in the accounts of others.

If the Board of Directors of the Company does not comply with the provisions of the first paragraph of this article, shareholders shall have the right to request the Board to do so within 30 days. If the Board of Directors of the Company fails to follow the above-mentioned deadline, shareholders shall have the right to file a lawsuit directly to the people's court in their own name in the interest of the Company.

If the Board of Directors of the Company does not comply with the provisions of the first paragraph of this article, the responsible directors shall be jointly and severally liable in accordance with law.

## Chapter 4 Shareholders and General Meetings

### Section 1 Shareholders

**Article 33** The Company shall make a register of shareholders. The register of shareholders shall be the sufficient evidence proving the shareholders' holding of the Company's shares. Shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Any shareholder who is registered in the register of shareholders or any person who requests his name (title) be entered into the register of shareholders may, if his share certificate (hereinafter referred to as the "**original share certificate**") is lost, apply to the Company for issuance of a replacement certificate in respect of such shares (hereinafter referred to as the "**relevant shares**"). Application for the replacement of share certificate from holders of domestic shares that have lost their certificates shall be handled according to relevant provisions of the Company Law. Applications for the replacement of share certificates from holders of overseas listed foreign shares that have lost their certificates may be handled in accordance with the laws, stock exchange rules or other relevant provisions of the place where the original of the register of holders of overseas listed foreign shares is kept.

**Article 34** When the Company convenes a general meeting, distributes dividends, executes clearing or makes other conducts that need to identify the shareholders, the Board or the convener of the general meeting shall determine the Record Date. Shareholders included in the register of shareholders on the revenue generated day after the close of trading on the market Record Date shall be the entitled shareholders. Where PRC laws, administrative regulations, departmental rules, regulatory documents and the listing rules of the stock exchange where the Company's shares are listed stipulate on the period of closure of the register of shareholders prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

**Article 35** Shareholders of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of profit distributions in proportion to the number of shares held by them;
- (II) to request, convene, preside over, attend or appoint proxies of shareholders to attend general meeting and exercise corresponding right of speech and voting rights in accordance with the laws;
- (III) to supervise the operation of the Company and to make suggestions and enquiries;
- (IV) to transfer, donate or pledge shares held by them in accordance with the requirements of laws, administrative regulations, and the Articles of Association;
- (V) to inspect the Articles of Association, the register of shareholders, corporate bond stubs of the Company, the minutes of general meetings, resolutions of the Board meetings, resolutions of the meetings of the Supervisory Committee, and financial accounting report;

- (VI) to participate in the distribution of remaining assets of the Company in proportion to the number of shares held by them upon termination or liquidation of the Company;
- (VII) to request the Company to acquire the shares from shareholders who object to the resolutions on the merger or division of the Company made at the general meeting;
- (VIII) to inspect the Hong Kong branch register of shareholders of the Company, but the Company may suspend the registration of shareholders in accordance with the equivalent provisions of section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (IX) to enjoy other rights as stipulated in laws, administrative regulations, departmental rules, and the Articles of Association.

**Article 36** Any shareholder requesting for inspection of the relevant information as set forth in the item (V) of preceding Article or for obtaining information shall furnish with the Company written document evidencing the class and quantity of shares he/she holds in the Company and the Company shall comply with such shareholder's request upon verification of his/her shareholder capacity.

**Article 37** Shareholders are entitled to request the People's Court to invalidate the resolutions of a general meeting or a Board meeting which violates the laws and administrative regulations.

The shareholders are entitled to request the People's Court to cancel the relevant resolution within 60 days after the resolution is adopted if the convening procedure and voting method of the general meeting or the Board meeting violates the laws, administrative regulations or the Articles of Association, or the resolution content breaches the Articles of Association.

**Article 38** If a director or a senior management causes losses to the Company for violation of the requirements of the laws, administrative regulations or the Articles of Association during the performance of his/her duties, shareholders who hold more than 1%, individually or jointly, of the Company's shares for more than 180 days continuously, have the right to request the Supervisory Committee in written form to bring a suit to the People's Court; if the Supervisory Committee causes losses to the Company for violation of the requirements of the laws, administrative regulations or the Articles of Association during the performance of its duties, shareholders can request the Board in written form to file a suit in the People's Court.

Upon receipt of the written request made by the shareholders as stipulated in the preceding paragraph, in case the Supervisory Committee and/or the Board of Directors refuses to file a lawsuit or fails to file a lawsuit within 30 days from receipt of such request, or under urgent circumstances that failure in filing a lawsuit immediately will have the Company suffer from irreparable damages, the aforesaid shareholders shall have the right to file a lawsuit to a people's court directly in their own name for protection of the Company's interests.

In the event that any person infringes the legal interests of the Company and causes losses thereto, the shareholders specified in the first paragraph of the Article may file a lawsuit to a people's court in accordance with the provisions of the preceding two paragraphs.

**Article 39** In the event of violation of laws, administrative regulations or the provisions under this Articles of Association by a director or a senior management member in performing his/her duties resulting damage to the shareholders' interest, the shareholders may file a litigation with a people's court.

**Article 40** The shareholders of the Company shall assume the following obligations:

- (I) to comply with laws, administrative regulations and the Articles of Association;
- (II) to pay subscription monies according to the shares subscribed and the method of subscription;
- (III) not to return shares unless prescribed otherwise in laws and administrative regulations;
- (IV) not to abuse shareholders' rights to infringe upon the interests of the Company or other shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of shareholders to harm the interests of the Company's creditors;
- (V) other obligations imposed by laws, administrative regulations and the Articles of Association.

Any shareholder who abuses shareholders' rights and causes the Company or other shareholders to suffer a loss shall be liable for making compensation in accordance with the law. Any Company's shareholder who abuses the status of the Company as an independent legal entity or the limited liability of shareholders to evade debts and severely harm the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

**Article 41** A shareholder holding 5% or more of the Company's shares with voting rights shall submit a written report to the Company from the date when he/she pledges shares in his/her possession.

**Article 42** The controlling shareholders and actual controllers of the Company shall not damage the interests of the Company by taking advantage of their affiliation. They shall be liable for indemnifying the Company for the losses arising therefrom in case of violation of such requirement. The controlling shareholders and actual controllers of the Company shall bear the fiduciary duty to the Company and shareholders of public shares. The controlling shareholders shall exercise the rights of investors in strict accordance with law, and shall not damage the legitimate rights and interests of the Company and the shareholders of public shares by means of profit distribution, asset restructuring, outbound investment, capital occupation, loan guarantee, etc., nor damage the interests of the Company by means of their controlling position.

Where the Hong Kong Listing Rules and other applicable laws and regulations provide for the protection of small and medium investors, the Company shall comply with such provisions.

## Section 2 General Provisions of General Meetings

**Article 43** The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers:

- (I) to decide on the operating guidelines and investment plans of the Company;
- (II) to elect and replace the directors and supervisors who are not representatives of the staff and decide on matters relating to the remuneration of the directors and supervisors;
- (III) to consider and approve reports of the Board of Directors;
- (IV) to consider and approve reports of the Supervisory Committee;
- (V) to consider and approve the Company's annual financial budgets and final accounts;
- (VI) to consider and approve the Company's profit distribution plans and loss recovery plans;
- (VII) to decide on increases or reductions in the Company's registered capital;
- (VIII) make resolutions on the issue of corporate bonds;
- (IX) to decide on merger, division, dissolution, liquidation or change in the form of the Company;
- (X) to amend the Articles of Association;
- (XI) to decide on the Company's appointment and removal of accounting firms;
- (XII) to consider and approve transactions and guarantees that should be decided by the general meeting of shareholders as stipulated in the Articles of Association and the Rules of Procedure for General Meetings;
- (XIII) to consider the purchase or disposal of significant assets in an amount exceeding 30% of the latest audited total assets of the Company, which were carried out by the Company within twelve months;
- (XIV) to consider and approve change of the use of proceeds;
- (XV) to consider share incentive plans and employee stock ownership programs;
- (XVI) to consider the repurchase of the Company's shares in accordance with the circumstances set forth in items (I) and (II) of the first paragraph of Article 25 of the Articles of Association;
- (XVII) to consider other matters that required to be resolved by the general meeting as prescribed by laws, administrative regulations, departmental rules, the Articles of Association and the Rules of Procedure for General Meetings.

The above-mentioned functions and powers of the general meeting shall not be exercised by the Board of Directors or other institutions or individuals through authorization.

The general meeting may authorize or entrust the Board to handle the matters authorized or entrusted by it, including but not limited to:

- (I) subject to the applicable laws, regulations and the Listing Rules, to grant a general mandate to the Board to issue, allot and deal with additional ordinary shares not exceeding 20% (or such other percentage as may be prescribed by applicable laws, regulations and the Listing Rules) of the issued ordinary shares, and to authorize the Board to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares;
- (II) The Board is authorized to determine the specific terms and relevant matters of the issuance of debt financing instruments such as domestic short-term financing bonds, medium-term notes, corporate bonds and overseas USD bonds within the limit of the amount of bonds that can be issued as authorized by the general meeting, based on the needs of production and operation, capital expenditure and market conditions, including (but not limited to) determining the actual amount of bonds to be issued, interest rate, term, target subscribers, use of proceeds, and preparing, signing and disclosing all necessary documents within the scope specified above.

**Article 44** The following guarantees provided by the Company shall be submitted to the general meeting for consideration and approval after being considered and approved by the Board:

- (I) a single guarantee with an amount exceeding 10% of the latest audited net assets;
- (II) any guarantee provided after the total amount of guarantees provided by the Company and its controlling subsidiaries exceeds 50% of the latest audited net assets of the Company;
- (III) any guarantee provided to the guaranteed party whose asset-liability ratio exceeds 70%;
- (IV) any guarantee provided by the Company within one year with an amount exceeding 30% of the latest audited total assets of the Company;
- (V) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets;
- (VI) guarantees provided to shareholders, de facto controllers and their connected persons; and
- (VII) other guarantees required by the stock exchange or the Articles of Association and the corresponding rules of procedure to be considered and approved by the general meeting.

**Article 45** General meetings shall be classified into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year within six months after the end of the previous accounting year.

**Article 46** The Company shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following events:

- (I) when the number of directors is less than the number stipulated or two-thirds of the number specified in the Company Law;
- (II) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-up share capital;
- (III) when shareholders individually or jointly holding 10% or more of the Company's shares request;
- (IV) when deemed necessary by the Board;
- (V) when proposed by the Supervisory Committee;
- (VI) other circumstances stipulated by laws, administrative regulations, department rules or the Articles of Association.

**Article 47** The Company shall convene a general meeting at the domicile of the Company or the place specified in the notice of the meeting. A venue shall be set for the general meeting which shall be convened on site. The Company may also provide an online voting method to facilitate shareholders' participation in the general meeting. Shareholders who participate in the general meeting in the aforesaid manner shall be deemed as present.

**Article 48** When convening a general meeting, the Company shall engage lawyers to issue legal opinions on the following issues and make announcements:

- (I) whether the procedures for convening and holding the meeting comply with the laws, administrative regulations and the Articles of Association;
- (II) whether the qualifications of the attendees and convener are legal and valid;
- (III) whether the voting procedures and results of the meeting are lawful and valid;
- (IV) legal opinions on other relevant issues as requested by the Company.

### **Section 3 Convening of the General Meeting**

**Article 49** General meetings shall be convened by the Board.

**Article 50** The independent non-executive Directors are entitled to propose to the Board to convene an extraordinary general meeting. In response to a proposal by an independent non-executive Director to convene an extraordinary general meeting, the Board shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within 10 days upon receipt of such proposal. If the Board agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days after the resolution of the Board is passed. If the Board does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

**Article 51** The Supervisory Committee have the right to propose to the Board to convene an extraordinary general meeting, and shall make such proposal in writing. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within 10 days after receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board is passed. Any changes to the original proposal made in the notice shall be approved by the Supervisory Committee.

If the Board does not agree to convene the extraordinary general meeting or fails to give a reply within 10 days after receiving the proposal, the Board shall be deemed to be unable or fail to perform the duty of convening the general meeting, and the Supervisory Committee may convene and preside over the meeting on its own.

**Article 52** Shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to request the Board of Directors in writing to convene an extraordinary general meeting. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within 10 days after receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days after the resolution of the Board is passed. Any change to the original request made in the notice shall be subject to the consent of the relevant shareholders.

If the Board does not agree to convene an extraordinary general meeting or does not reply within 10 days upon receipt of the proposal, the shareholders individually or jointly holding more than 10% of the shares of the Company shall have the right to propose to the Supervisory Committee to convene an extraordinary general meeting, and such proposal shall be made in writing.

If the Supervisory Committee agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days upon receipt of the request. Any changes to the original request in the notice shall be approved by the relevant shareholders.

If the Supervisory Committee fails to issue the notice of the general meeting within the prescribed period, it shall be deemed that the Supervisory Committee will not convene and preside over the general meeting, and shareholders individually or jointly holding 10% or more of the Company's shares for more than 90 consecutive days may convene and preside over the meeting by themselves.

**Article 53** If the supervisory committee or shareholders decide to convene a general meeting on their own, they shall notify the Board in writing. The shareholding of the convening shareholders shall not be less than 10% (inclusive) and shall be filed with the stock exchange in accordance with the requirements of relevant laws and regulations and the Hong Kong Listing Rules (if necessary).

Prior to the announcement of the resolutions of the general meeting, the shareholding of the convening shareholders shall not be less than 10% (inclusive).

The Supervisory Committee or the convening shareholders shall submit relevant supporting materials (if necessary) to the stock exchange in accordance with the requirements of relevant laws and regulations and the Hong Kong Listing Rules when issuing the notice of the general meeting and the announcement of the resolutions of the general meeting.

**Article 54** The Board and the secretary to the Board shall cooperate with the Supervisory Committee or the Shareholders to convene a general meeting. The Board shall provide the register of shareholders as at the Record Date.

**Article 55** The expenses necessary for such meeting convened by the Supervisory Committee or shareholders themselves shall be borne by the Company.

#### **Section 4 Proposals and Notices of the General Meeting**

**Article 56** The contents of the proposals shall fall within the scope of authority of the general meeting, have clear topics and specific resolutions, and comply with the relevant provisions of laws, administrative regulations and the Articles of Association.

**Article 57** When the Company convenes a general meeting, the Board, the Supervisory Committee and shareholders individually or jointly holding more than 3% of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding 3% or more of the Company's shares may submit ad hoc proposals in writing to the convener 10 days before a general meeting is convened. The convener shall issue a supplementary notice of the general meeting to inform the contents of the provisional proposals within 2 days upon receipt of the proposals.

Save as specified above, the convener shall not amend the proposals set out in the notice of the general meeting or add any new proposals after issuing the notice of the general meeting.

Proposals not set out in the notice of the general meeting or not complying with Article 56 of the Articles of Association shall not be voted on or resolved at the general meeting.

**Article 58** The convener shall notify all shareholders by way of announcement 21 days or 20 clear business days (whichever is longer) before the annual general meeting, and shall notify all shareholders by way of announcement 15 days or 10 clear business days (whichever is longer) before the extraordinary general meeting. When calculating the period of advance notice, the date of the meeting shall not be included, but may include the date when the notice of the meeting is issued.

After the notice of the general meeting is issued, the convener may issue a notice of call in accordance with the Company Law and relevant regulations before the meeting is held.

**Article 59** The notice of the general meeting shall include the following:

- (I) time, venue and duration of the meeting;
- (II) matters and proposals to be considered at the meeting;
- (III) explicitly specifying: all shareholders are entitled to attend the general meeting and may appoint a proxy in writing to attend the meeting and vote on his/her behalf. The proxy need not be a shareholder of the Company;
- (IV) the record date for shareholders entitled to attend the general meeting;
- (V) name and telephone number of the contact person of the meeting; and
- (VI) the voting time and voting procedures of the meeting for the online voting or other means of voting.

The notice and supplemental notice of the general meeting will fully and completely disclose the specific contents of all proposals and all information or explanations necessary for the shareholders to make reasonable judgments on the matters to be discussed. Where the opinions of the independent non-executive Directors are required for the matters to be discussed, the opinions and reasons of the independent non-executive Directors shall be disclosed at the same time when the notice or supplementary notice of the general meeting is issued.

**Article 60** When the general meeting intends to discuss the election of directors and supervisors, the notice of the meeting shall fully disclose the details of the candidates for directors and supervisors, including, as a minimum, the following contents:

- (I) personal particulars such as educational background, work experience and part-time jobs;
- (II) whether there is any connected relationship with the Company or its controlling shareholder and de facto controller;
- (III) disclosure of the number of shares held in the Company;
- (IV) whether or not they have been penalized by the CSRC and other relevant departments and stock exchanges;
- (V) other disclosures required by the Hong Kong Listing Rules and other laws and regulations.

Except for the accumulative voting system for the election of directors and supervisors, each candidate for directors and supervisors shall be proposed as a single proposal.

**Article 61** After the notice of the General Meeting is given, without cogent reason, the general meeting shall not be postponed or canceled, and the proposals set out in the notice shall not be canceled. In case of postponement or cancellation, the convener shall make an announcement and explain the reasons at least 2 working days before the original convening date.

## Section 5 Holding of the General Meeting

**Article 62** The Board and other conveners of the Company will take necessary measures to ensure the normal order of the general meeting. They shall take measures to stop the conducts that interfere with the general meeting, provoke troubles and infringe on the legal rights and interests of the shareholders and report timely to relevant authorities for investigation.

**Article 63** All shareholders registered on the record date or their proxies shall be entitled to attend the general meeting and exercise their voting rights in accordance with the relevant laws, regulations, the Hong Kong Listing Rules and the Articles of Association.

Shareholders may attend the general meeting in person or appoint a proxy (who may not be a Shareholder) to attend and vote on his/her behalf.

**Article 64** Individual shareholders who attend the meeting in person shall produce their identity cards or other effective document or proof of identity and stock account cards. Proxies of individual shareholders shall produce their valid identity cards and the power of attorney of the shareholder.

Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. The legal representative attending the meeting shall present his/her identity card and valid certificate evidencing his/her capacity as a legal representative; if a proxy is appointed to attend the meeting, the proxy shall present his/her identity card and a written power of attorney duly issued by the legal representative of the corporate shareholder in accordance with the law (other than recognized clearing house as defined by relevant provisions of the Hong Kong laws in force from time to time or its agent).

**Article 65** The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall contain the following information:

- (I) name of the proxy;
- (II) availability of voting rights;
- (III) instructions to vote for, against or abstain from voting on each matter to be considered at the general meeting;
- (IV) date and validity period of the power of attorney;
- (V) signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed.

**Article 66** The power of attorney shall specify that in the absence of specific instructions from the shareholders, the proxies may vote as they think fit.

**Article 67** If the power of attorney for proxy voting is signed by another person authorized by the principal, the power of attorney or other authorization documents shall be notarized. The power of attorney for proxy voting, the notarized power of attorney or other authorization documents shall be placed at the domicile of the Company or at such other place as specified in the notice convening the meeting at least twenty-four hours before the convening of the relevant meeting at which the proxy voting is entrusted by the authorization document, or twenty-four hours before the appointed voting time.

If the principal is a legal person, its legal representative or such person as is authorized by resolution of its board of directors or other governing body to attend the general meeting of the Company on its behalf.

Any shareholder entitled to attend and vote at a general meeting shall have the right to appoint one or more persons (who need not be shareholders) as his or her proxies to attend and vote on his or her behalf.

If the shareholder is a recognized clearing house (or its agent) as defined in the relevant regulations formulated by Hong Kong from time to time, the shareholder may authorize one or more persons it deems suitable to act as its representative (s) at any general meeting or any class meeting of shareholders or creditors' meeting; however, if more than one person is authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized, and the power of attorney shall be signed by the authorized personnel of the recognized clearing house. The persons so authorized may attend the meeting (without being required to present share certificate, notarized power of attorney and/or further evidence to prove that they are duly authorized) and exercise the rights on behalf of the recognized clearing house (or its agent) as if they were individual shareholders of the Company and have the same legal rights as other shareholders, including the right to speak and vote.

**Article 68** The register of the persons attending the meeting shall be prepared by the Company. The register shall state the names (or names of the corporations), identity card numbers, residential addresses, the number of voting shares held or represented by the attendees, and the names (or names of the corporations) of the principal.

**Article 69** The convener and the lawyers engaged by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of members, and shall register the names of the shareholders and the number of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting in person and the total number of voting shares held by them.

**Article 70** When the general meeting is held, directors, supervisors and the secretary to the Board shall attend the meeting and the general manager and other senior management members shall be present at the meeting.

**Article 71** The general meeting convened by the Board shall be chaired by the chairman of the Board. Where the chairman is incapable of performing or not performing his duties, a director nominated by more than half of the directors shall preside over the meeting.

The general meeting convened by the Supervisory Committee shall be presided over by the chairman of the Supervisory Committee. Where the chairman of the Supervisory Committee is incapable of performing or not performing his/her duties, a supervisor jointly elected by more than half of the supervisors shall preside over the meeting.

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

When a general meeting is held and the chairman of the meeting violates the rules of procedures such that the general meeting cannot proceed, with the consent of more than half of the shareholders with voting rights present at the meeting, the general meeting may elect a person to be the chairman of the meeting and the meeting shall be continued.

**Article 72** The Company shall formulate Rules of Procedure for General Meetings, and specify the convening and voting procedures of the general meeting, including notice, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and its signing and announcement thereof, as well as the principle of authorization of the general meeting to the Board of Directors. The content of authorization shall be clear and specific. The Rules of Procedure for General Meetings shall be annexed to the Articles of Association and shall be prepared by the Board and approved by the general meeting.

**Article 73** At the annual general meeting, the Board and the Supervisory Committee shall report their work in the past year to the general meeting. Each independent non-executive Director shall also make a work report.

**Article 74** Directors, supervisors and senior management shall provide explanations on the inquiries and suggestions made by shareholders at the general meeting.

**Article 75** The presider of the meeting shall, prior to voting, announce the number of shareholders and proxies attending the meeting and the total number of voting shares held by them. The number of shareholders and proxies attending the meeting and the total number of voting shares held by them shall be subject to the registration of the meeting.

**Article 76** Minutes of the general meeting shall be kept and the secretary to the Board shall be responsible therefor. The meeting minute shall contain the following contents:

- (I) time, venue, agenda of the meeting and name of the convener;
- (II) names of the chairman of the meeting, directors, supervisors, general manager and other senior management members present at the meeting;
- (III) the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and the proportion to the total number of shares of the Company;
- (IV) the consideration process, key points of speech and voting results of each proposal;
- (V) shareholders' inquiries or suggestions and corresponding replies or explanations;
- (VI) names of vote counters and scrutineers;
- (VII) other contents that shall be included in the meeting minutes according to the Articles of Association.

**Article 77** The convener shall guarantee the authenticity, accuracy and integrity of the content of the meeting minutes. The directors, supervisors, the secretary to the Board, convener or their representative who attend the meeting, and the meeting presider shall sign the meeting minutes. The minutes of the meeting shall be kept together with the signature book of the attending shareholders, the power of attorney of the proxies, the valid information on voting via the Internet or by other means and other valid information for a period of not less than 10 years.

**Article 78** The convener shall guarantee the general meeting continues until the final resolution has been adopted. If the general meeting is suspended or no resolution can be made due to force majeure or other special reasons, necessary measures shall be taken to resume the general meeting as soon as possible or terminate the general meeting directly, and an announcement shall be made in a timely manner.

## **Section 6 Voting and Resolutions of the General Meeting**

**Article 79** The resolutions of a general meeting are classified into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by votes representing more than half of the voting rights represented by the shareholders (including proxies) present at the general meeting.

A special resolution shall be passed by votes representing more than two-thirds of the voting rights represented by the shareholders (including proxies) present at the general meeting.

**Article 80** The following matters shall be resolved by way of ordinary resolution of the general meeting:

- (I) work reports of the Board and the Supervisory Committee;
- (II) profit distribution plans and loss recovery plans formulated by the Board;
- (III) appointment and removal of members of the Board and the Supervisory Committee, their remuneration and method of payment;
- (IV) annual budget and final accounts of the Company;
- (V) annual report of the Company;
- (VI) matters other than those which are required by the laws, administrative regulations or the Articles of Association to be resolved by way of special resolutions.

**Article 81** The following matters shall be resolved by way of special resolution of the general meeting:

- (I) increase or decrease of registered capital of the Company;
- (II) the division, separation, merger, dissolution and liquidation (including voluntary liquidation) of the Company;
- (III) amendments to the Articles of Association;
- (IV) purchase or disposal of material assets or provision of guarantee by the Company within 12 consecutive months with an amount exceeding 30% of the latest audited total assets of the Company;
- (V) employee stock ownership programs or equity incentive plan;

(VI) other matters as required by the laws, administrative regulations or the Articles of Association and the Rules of Procedure for General Meetings, and as determined by an ordinary resolution of the general meeting which may have a material impact on the Company and should be adopted by a special resolution.

A variation of the rights attached to a class of shares shall be approved by more than two-thirds of the shareholders of the company holding the shares of that class carrying the relevant rights.

**Article 82** Shareholders (including proxies) shall exercise their voting rights by the number of voting shares they represent, and each share shall have one vote. When a ballot is held, shareholders (including proxies) having the right to two or more votes need not use all of their voting rights in the same way.

Shares held by the Company do not carry any voting rights and shall not be counted in the total number of voting shares represented by shareholders present at the general meeting.

**Article 83** If a shareholder purchases the Company's voting shares in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, such shares in excess of the prescribed proportion shall not exercise the voting rights within thirty-six months after purchase, and shall not be counted in the total number of voting shares present at the general meeting.

The Board of Directors, independent non-executive Directors, shareholders holding more than one percent of the voting shares or investor protection institutions established in accordance with the laws, administrative regulations or the provisions of the CSRC may publicly solicit shareholders' voting rights. Information such as specific voting intentions shall be fully disclosed to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be involved in the collection of voting rights from shareholders. Except for statutory conditions, the Company shall not impose any minimum shareholding restriction on the solicitation of voting rights.

**Article 84** When a connected transaction is considered at a general meeting, the connected shareholders shall abstain from voting and shall not exercise their voting rights on behalf of other shareholders, and the number of voting shares represented by them shall not be counted in the total number of valid votes.

The connected shareholders shall abstain from voting automatically when voting at the general meeting. The chairman of the meeting shall require the connected shareholders to abstain from voting. Any shareholder who is not required to abstain is entitled to request the connected shareholders to abstain from voting.

The connected transaction shall be voted by non-connected shareholders present at the meeting, and more than half of the valid voting rights in favor of the connected transaction shall be adopted; if the transaction falls within the scope of special resolution, more than two-thirds of the valid voting rights shall be adopted.

When the general meeting considers a resolution on the provision of guarantee to shareholders, de facto controllers and their connected persons, such shareholders or shareholders controlled by such de facto controllers shall abstain from voting on the resolution, and the resolution shall be passed by more than half of the voting rights held by other shareholders attending the general meeting. The announcement of the resolutions of the general meeting shall fully disclose the voting of non-connected shareholders.

**Article 85** Unless the Company is in a crisis or other special circumstances, the Company shall not enter into any contract with any person other than the Directors, managers and other senior management members whereby the management of the whole or any substantial part of the business of the Company is to be handed over to such person without the approval of a special resolution at a general meeting.

**Article 86** The list of candidates for directors and supervisors shall be submitted to the general meeting for voting by way of proposal.

The candidates for directors of the first session of the Board and the candidates for the first session of the Supervisory Committee shall be nominated by the promoters. The methods and procedures for nominating the remaining directors and supervisors are as follows:

- (I) Upon re-election of the Board or addition of directors to the existing Board, the incumbent Board, the Supervisory Committee and shareholders individually or jointly holding more than 3% of the shares of the Company may nominate candidates for directors of the next session of the Board who are not representatives of the employees or candidates for additional directors without exceeding the number of persons to be elected;
- (II) Upon re-election of the Supervisory Committee or addition of supervisors to the existing Supervisory Committee, the incumbent Supervisory Committee, the Board of Directors and shareholders individually or jointly holding more than 3% of the Company's shares may nominate candidates for supervisors of the next session of the Supervisory Committee who are not employee representatives or candidates for additional supervisors without exceeding the number of persons to be elected;
- (III) Shareholders shall submit to the current Board of Directors and the Supervisory Committee the resume and basic information of the candidates for directors or supervisors nominated by them, which shall be examined by the current Board of Directors and the Supervisory Committee, and shall be submitted to the general meeting for election after examining the qualifications of directors or supervisors;
- (IV) The candidates for directors or supervisors shall make written undertakings in accordance with the requirements of the Company, including but not limited to agreeing to accept the nomination, undertaking that the personal information submitted is true and complete, and ensuring that they will perform their duties after being elected;
- (V) The nomination methods and procedures for independent non-executive directors shall be implemented in accordance with the relevant provisions of laws, administrative regulations, departmental rules and the Articles of Association; Employee representative Directors and employee representative Supervisors are democratically elected by the Company's employees through the employee representatives' meeting.

When voting on the election of directors and supervisors at the general meeting, the accumulative voting system shall be adopted in accordance with the Articles of Association or the resolution of the general meeting. However, the accumulative voting system shall be adopted for the election of two or more directors or supervisors. If the general meeting elects directors by accumulative voting, the voting of independent non-executive directors and non-independent non-executive directors shall be conducted separately.

The accumulative voting system referred to in the preceding paragraph refers to that, when the general meeting elects directors or supervisors, each share shall have the same number of voting rights as the number of directors or supervisors to be elected, and shareholders may cluster their voting rights. The Board shall inform the Shareholders of the biographies and basic information of the candidates for Directors and Supervisors.

**Article 87** The number of votes in the accumulative voting method shall be determined as follows:

- (I) In the election of non-independent non-executive directors or supervisors, the number of shares held by each shareholder multiplied by the number of non-independent non-executive directors or supervisors to be elected at the general meeting, i.e. the accumulative number of votes of such shareholder; in the election of independent non-executive directors, the number of shares held by each shareholder multiplied by the number of independent non-executive directors to be elected at the general meeting, i.e. the accumulative number of votes of such shareholder;
- (II) When several rounds of election are conducted at the general meeting, the accumulative votes of shareholders shall be recalculated according to the number of directors or supervisors to be elected for each round of election;
- (III) Before each round of accumulative voting, the secretary to the Board of the Company shall announce the accumulative number of votes of shareholders. If the independent non-executive directors, supervisors of the Company, scrutineers for the vote-taking at the general meeting or witnessing lawyers disagree with the results of the announcement, they shall immediately verify the results.

The voting under accumulative voting system shall be conducted as follows:

- (I) Each shareholder shall be entitled to a cumulative number of votes as shall be equal to the number of shares held by him/her multiplied by the number of independent non-executive Directors upon whom he/she can vote, when electing independent non-executive Directors. Such votes may only be casted for the candidates of the independent non-executive Directors. Each shareholder shall be entitled to a cumulative number of votes as shall be equal to the number of shares held by him/her multiplied by the number of non-independent non-executive Directors upon whom he/she can vote, when electing non-independent non-executive Directors. Such votes may only be voted for the candidates of the non-independent non-executive Directors;
- (II) Each shareholder shall be entitled to a cumulative number of votes as shall be equal to the number of shares held by him/her multiplied by the number of supervisors upon whom he/she can vote, when electing supervisors. Such votes may only be voted for the candidates of the supervisors.

**Article 88** Directors and supervisors are elected under the accumulative voting system as follows:

- (I) Shareholders must indicate on their ballot papers the total number of shares they hold in the Company and the cumulative number of votes they cast for each candidate for election as a director or supervisor in the voting column for each candidate for election as a director or supervisor;

When voting, he/she shall only vote for, not vote against or abstain from voting; all shareholders shall be entitled to cast their cumulative votes, separately or in aggregate, for any one candidate for director or supervisor, as they wish (proxies shall comply with the instructions of the proxy);

If the total number of votes used by the shareholder on the ballot paper exceeds the total number of shares legally owned by him/her, the ballot paper is invalid; if the total number of votes used by the shareholder on the ballot paper does not exceed the total number of shares legally owned by him/her, the ballot paper is valid and the difference is deemed to be an abstention of voting rights;

- (II) After the voting process ends, directors or supervisors shall be elected by winning more than a half of the number of valid votes held by the shareholders present at the general meeting (based on the total number of votes before cumulative voting rights are applied), according to the number of votes received by each candidate and subject to the number of directors or supervisors to be elected in descending order;
- (III) If the number of candidates for directors or supervisors who receive more than a half of the number of valid votes held by the shareholders present at the general meeting (based on the total number of votes before cumulative voting rights are applied) exceeds the number of directors or supervisors to be elected and the two or more candidates ranked last receive the same number of votes, the other candidates ranked before them shall be elected. A new ballot shall be conducted for those candidates who have received the same number of votes by applying the accumulative voting system. The candidates who ranks first in descending order of votes number shall be elected;
- (IV) In the event that the number of candidates for directors or supervisors receiving more than a half of the number of valid votes held by the shareholders present at the general meeting (based on the total number of votes before cumulative voting rights are applied) in the first round of voting is less than the number of directors and supervisors to be elected, a new ballot shall be conducted for the unelected candidates by applying the accumulative voting system. The candidates who ranks first in descending order of votes number shall be elected to fill the number of candidates to be elected. In the event of failure to determine the elected candidate due to a tie vote, a new ballot shall be held in accordance with the above-mentioned rules;

- (V) If the number of directors or supervisors specified in the Articles of Association cannot be elected after three rounds of voting at the general meeting, another general meeting shall be held within two months after the conclusion of this general meeting to elect the vacant directors or supervisors. In addition to the cumulative voting system, the general meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.

**Article 89** In addition to the cumulative voting system, the general meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.

**Article 90** When considering a proposal, the general meeting shall not revise it; otherwise such amendments shall be deemed as a new proposal and may not be voted at the current meeting.

**Article 91** The same voting right shall only be exercised on site, via the Internet or by other means (if any). Where the same vote is cast for two or more times, the first cast shall hold.

**Article 92** The general meeting shall vote by open ballot.

**Article 93** Before the relevant proposal is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is related to the matter under consideration and his/her proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.

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

**Article 94** Shareholders of the Company or their proxies shall have right to check the results of their votes through the voting system if they vote via the Internet or other means. A general meeting shall not conclude earlier at the venue than over the Internet or otherwise. At the conclusion of the general meeting on site, the presider shall announce the voting status and results of each proposal and announce whether the proposal is adopted or not based on the voting results.

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

**Article 95** The shareholders attending the general meeting shall express one of the following opinions on the proposal to be voted on: for, against, or abstain. Save for the circumstance under which the securities registration and settlement institution, acting as the nominal holder (if any) of shares under the mutual stock market access between the Mainland and Hong Kong, makes reporting in accordance with the instruction of the de facto holder of relevant shares.

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

If in accordance with the applicable laws and regulations and the Listing Rules of the Hong Kong Stock Exchange, any shareholder is required to abstain from voting or is restricted to voting for (or against) any individual resolution, any vote by the shareholder or his/her proxies in contravention thereof shall not be counted into the voting result.

**Article 96** If the presider of the meeting has any doubts as to the result of a resolution which has been put to vote at the general meeting, he/she may have the votes counted. If the presider of the meeting has not counted the votes, any shareholder present in person or by proxy who objects to the result announced by the presider of the meeting may, immediately after the declaration, demand that the votes be counted, and the presider of the meeting shall have the votes counted immediately.

**Article 97** Resolutions of the general meeting shall be announced in time, which shall set out the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and their proportion in the total number of voting shares of the Company, voting methods, voting results of each proposal, and details of resolutions adopted and other relevant matters.

**Article 98** Where the proposals fail to be adopted or if the general meeting changes the resolutions of the previous one, a special notice shall be included in the announcement of the resolutions of the general meeting.

**Article 99** Where proposed resolutions in relation to the election of directors or supervisors are adopted at a general meeting, the new directors and supervisors shall take office on the date on which the resolution of the general meeting is adopted.

**Article 100** If the general meeting passes the proposal on cash dividends, scrip issue or conversion of capital reserve into share capital, the Company shall implement the relevant plan in 2 months after the end of the general meeting.

## Chapter 5 The Board of Directors

### Section 1 Directors

**Article 101** Directors shall be natural persons, and none of the following persons may serve as a director of the Company:

- (I) Persons without capacity or with limited capacity for civil conduct;
- (II) Persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, where five years have not lapsed following the serving of the sentence, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence;
- (III) Persons who acted as directors, or factory managers or managers of bankrupt or liquidated companies or enterprises who bear personal liability for the bankruptcy of such companies or enterprises where three years have not lapsed following the date of completion of such bankruptcy or liquidation;
- (IV) Legal representatives of companies or enterprises that had their business licenses revoked as a result of infringing the law, and where such representatives bear personal liability therefore and three years have not lapsed following the date of revocation of such business licenses;
- (V) Persons with relatively heavy individual debts that have not been settled upon maturity;
- (VI) Persons who are imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;
- (VII) Other contents specified by laws, administrative regulations or departmental rules.

Elections, appointments or employment of directors in violation of the preceding paragraphs of this Article shall be invalid. In the event that the circumstances as stipulated in this Article arise during the term of appointment of directors, the Company shall dismiss the appointment.

**Article 102** Directors shall be elected or replaced by the general meeting with a 3-year term, and may be relieved of their duties by the general meeting before the expiration of their term of office. Upon the expiration of the term, the directors may be re-elected and serve consecutive terms.

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

A director may be the general manager or other senior management members concurrently, provided that the total number of directors who concurrently serve as the general manager or other senior management members and directors who are employee representatives shall not exceed a half of the total number of directors of the Company.

**Article 103** Directors shall fulfill the following obligations of loyalty in accordance with laws, administrative regulations and the Articles of Association:

- (I) not to take advantage of his/her functions and powers to accept bribes or other illegal income, and not to misappropriate the property of the Company;
- (II) not to misappropriate funds of the Company;
- (III) not to deposit the Company's assets or funds in an account opened in his/her own name or in the name of any other individual;
- (IV) not to lend the Company's funds to others or use the Company's assets as security for others in violation of the Articles of Association and without the prior approval of the general meeting or the Board;
- (V) not to enter into contract or transaction with the Company in violation of the Articles of Association or without the prior approval of the general meeting;
- (VI) not to take advantage of his/her position to seek business opportunities that should belong to the Company for himself/herself or others, or engage in business similar to that of the Company for himself/herself or others, without the prior approval of the general meeting;
- (VII) not to accept and keep privately commissions on transactions with the Company;
- (VIII) not to disclose the secrets of the Company without authorization;
- (IX) not to damage the interests of the Company by taking advantage of his/her connected relationship;
- (X) other faithful obligations stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

The income derived by the directors in violation of the Article shall be returned to the Company. If losses are caused to the Company, they shall be liable for compensation.

**Article 104** Directors shall fulfill the following obligations of diligence in accordance with laws, administrative regulations and the Articles of Association:

- (I) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the requirements of PRC laws, administrative regulations and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company;
- (II) to treat all shareholders impartially;
- (III) to keep informed of the operation and management conditions of the Company in a timely manner;
- (IV) to approve periodic reports of the Company in written form; and to ensure that all information disclosed is true, accurate and complete;

- (V) to provide the status reports and information to the Supervisory Committee honestly, and not to hinder the Supervisory Committee or supervisors from exercising their powers;
- (VI) other faithful obligations stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

**Article 105** If the director fails to attend the Board meeting in person or entrust any other directors to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board of Directors shall advise the general meeting to remove such director.

**Article 106** A director may resign before the expiry of his tenure. The resignation of a director shall be submitted to the Board of Directors in a written resignation report. The Board of Directors shall disclose information regarding such resignation within two days.

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

Except as provided in the preceding paragraph, the resignation of directors shall come into force upon the delivery of the resignation report to the Board of Directors.

Any person appointed by the Board as a director to fill a casual vacancy or increase the number of the Board shall serve only until the first annual general meeting of the Company after his/her appointment and shall in that time be eligible for re-election.

Unless otherwise required by the law, the shareholders may remove any director (including executive director or independent non-executive director) before the expiration of his/her term of office by way of an ordinary resolution at the general meeting, without prejudice to claims for damages made by the director pursuant to any contract.

The shortest period before the notice of the proposal to elect a person as the director sent to the Company and the notice on the person's intent to accept the election sent to the Company shall be at least seven days.

The period for the delivery of the notices as stated above shall commence from the despatch of the notice on the election and end not later than seven days prior to the date of such meeting.

**Article 107** When a director's resignation takes effect or his/her term of office expires, the director shall complete all handover procedures with the Board, and his/her fiduciary duties to the Company and shareholders shall not be discharged after the termination of office. His/her confidentiality obligation in relation to the Company's trade secrets shall remain effective after the termination of office until such secrets become public information. The duration of other fiduciary duties incumbent on a director, not provided for in the contract of appointment, shall be determined in accordance with the principle of fairness, depending on the time lapse between the termination and the occurrence of the matter as well as the circumstances and conditions under which the relationship with the Company is terminated.

**Article 108** No director may act in his/her name on behalf of the Company or the Board of Directors without the lawful authorization under the provisions of the Articles of Association or by the Board of Directors. Where a director acts in his/her own name, the director shall declare in advance his/her position and identity in the case that a third party would reasonably believe that the director is acting on behalf of the Company or the Board.

**Article 109** If a director violates laws, administrative regulations, departmental rules and the Articles of Association while performing his/her duties and causes losses to the Company, he/she shall be liable for compensation.

**Article 110** The Company has independent non-executive Directors. Independent non-executive Directors should be independent of the Company and its substantial shareholders. Independent non-executive Directors shall not hold any position in the Company other than independent non-executive Directors.

**Article 111** The Board of Directors shall formulate the working system for independent non-executive Directors, which specifically stipulates the qualifications, election and replacement procedures and duties of independent non-executive Directors. The terms of reference of independent non-executive Directors are formulated by the Board and approved by the general meeting. Independent non-executive Directors shall comply with laws, administrative regulations, relevant provisions of the CSRC and stock exchanges.

## **Section 2 The Board of Directors**

**Article 112** The Company shall set up a Board of Directors that is responsible to the general meeting.

**Article 113** The Board of Directors is composed of 9 directors. The Company has a chairman of the Board of Directors and 3 independent non-executive Directors. The number of independent non-executive Directors at any time shall not be less than three and shall constitute more than one third of the total number of members of the Board of Directors.

**Article 114** The Board of Directors shall exercise the following functions and powers:

- (I) to convene general meeting and report to the meeting on the work of the Board;
- (II) to implement the resolutions of general meetings;
- (III) to resolve on the Company's business plans and investment plans;
- (IV) to formulate the Company's annual financial budgets and final accounts;
- (V) to formulate the Company's profit distribution plans and loss recovery plans;
- (VI) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;
- (VII) to formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;

- (VIII) to determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, and external donations of the Company within the authority granted by the general meeting;
- (IX) to determinate the setup of the Company's internal management structure;
- (X) to appoint or dismiss the general manager, secretary to the Board and other senior management members of the Company, and decide on matters of remuneration, rewards and punishments; to appoint or dismiss senior management such as deputy general manager and financial manager according to the nomination of the general manager, and decide on matters of remuneration, rewards and punishments;
- (XI) to formulate the basic management system of the Company;
- (XII) to formulate the amendment to the Articles of Association;
- (XIII) to manage the information disclosure of the Company;
- (XIV) to request the general meeting to engage or replace the accounting firm that provides audit for the Company;
- (XV) to debrief the work report of the general manager of the Company and check the works of the general manager;
- (XVI) to make decisions on the Company's repurchase of its shares in the situations prescribed in items (III), (V) and (VI) of paragraph 1 of Article 25 of the Articles of Association, in accordance with the authorization of the general meeting;
- (XVII) other functions and powers granted by laws, administrative regulations, departmental rules or the Articles of Association.

The Board shall establish an Audit Committee, a Nomination Committee, a Remuneration Committee and a Strategy Committee (together, the “**Special Committees**”) and other Special Committees as required to provide advice or counsel to the Board on major decisions. The composition and Rules of Procedure for the Special Committees shall be separately agreed upon by the Board. The Special Committees shall not make any resolution in the name of the Board but may, subject to the mandatory requirements of the relevant PRC laws, regulations, regulatory documents and the listing rules of the stock exchange where it is listed, exercise its decision-making power in respect of authorized matters in accordance with the special mandate of the Board.

Matters beyond the scope authorized by the general meeting shall be submitted to the general meeting for deliberation.

**Article 115** The Board of Directors shall make explanations to the general meeting on the non-standard audit opinions issued by the certified public accountants on the Company's financial reports.

**Article 116** The Board shall formulate the Rules of Procedure for the Board, for the purpose of ensuring the implementation by the Board of the resolutions of the general meeting, enhancing work efficiency, and guaranteeing scientific decision making. The Rules of Procedures for the Board shall be prepared by the Board, approved at the general meeting, and attached to the Articles of Association as an appendix.

**Article 117** The Board of Directors shall determine the scope of authorization in respect of external investment, acquisition and disposal of assets, external borrowings, asset mortgages, the provision of security for third parties, consigned financial management, connected transactions and external donations, and set up strict inspection and decision-making procedures; for important investment projects, the Board of Directors shall organize the relevant experts and professionals for review and report at general meeting for approval.

**Article 118** The chairman of the Board of Directors shall be elected by more than half of all the Directors.

**Article 119** The chairman of the Board of Directors shall exercise the following functions and power:

- (I) to preside over general meetings and to convene and preside over Board meetings;
- (II) to procure and examine the implementation of resolutions of the Board;
- (III) to sign important documents of the Board of Directors and other documents that require signature by the legal representative of the Company;
- (IV) to exercise the functions and powers of the legal representative;
- (V) other functions and powers granted by the Board.

**Article 120** If the chairman of the Board of Directors is unable or fails to perform his/her duties, a director shall be elected jointly by more than half of the directors to perform such duties.

**Article 121** Regular meetings of the Board are required to be held at least twice a year, and to be convened and presided by the chairman the Board of Directors. Written notice shall be given to all directors and supervisors at least ten days before each Board meeting, informing them of the time, place and agenda of the meeting.

**Article 122** Shareholders representing more than one-tenth of the voting rights, directors, supervisory committee or independent non-executive Directors more than one-third, may propose an extraordinary Board meeting. The Chairman of the Board shall convene and preside over a Board meeting within ten days after receiving the proposal.

**Article 123** The Board shall convene an extraordinary Board meeting by notifying all Directors and Supervisors in writing five days prior to the meeting. In case of emergency and it is necessary to convene an extraordinary Board meeting as soon as possible, the meeting notice may be sent by telephone or other oral means at any time, provided that the convener shall make explanations on the way of sending the relevant notice at the meeting.

**Article 124** The notice of the Board meeting shall contain at least the following contents:

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

The specific matters to be covered shall be specified in the Rules of Procedure for the Board of the Company.

**Article 125** Except as provided in the Articles of Association, the Board meeting shall only be held when more than half of the directors attend the meeting. A resolution made by the Board shall be approved by more than half of the directors unless otherwise stipulated by laws, administrative regulations, department rules and the Articles of Association.

Each director shall have one vote for the resolutions of the Board of Directors.

**Article 126** Where a director is affiliated with the enterprise involved in the resolution of the Board meeting, he/she shall not exercise the right to vote on the resolution, nor shall he/she exercise the right to vote on behalf of another director. The Board meeting can be held by more than half of the uninterested directors. The resolutions of the Board meeting shall be adopted by more than half of the uninterested directors. Where the Board meeting is attended by less than three directors without an associated relationship, the matter shall be submitted to the general meeting for deliberation.

**Article 127** Voting of resolutions of the Board of Directors shall proceed by the following methods: voting by a show of hands or voting by poll.

On the premise of ensuring that the directors can fully express their opinions, the extraordinary Board meetings may be held by way of telephone or video conference and the resolutions shall be signed by the attending directors.

**Article 128** The directors shall attend the Board meeting in person. If a director is unable to attend the meeting for some reason, he/she may entrust another director in writing to attend the meeting on his/her behalf. The power of attorney shall specify the name, matters entrusted to, scope of authorization and term of validity of the proxy, and shall be signed or sealed by the principal. The proxy shall exercise the rights of a director within the scope of the authorization. A director failing to attend the Board meeting in person or by proxy shall be deemed as having waived his/her voting rights at such meeting.

A director may not accept proxies from more than two directors to attend a Board meeting on their behalf at a single meeting. An independent non-executive Director can only entrust independent non-executive Director to attend the Board meeting on his/her behalf.

**Article 129** Meeting minutes shall be prepared to record the decision made by the Board for the matters under discussion. The directors attending the meeting shall sign the meeting minutes.

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

**Article 130** The minutes of the Board meeting shall include the following:

- (I) date and venue of the meeting and the name of the convener;
- (II) names of the directors present and of directors (agents) appointed by others to attend the Board meeting;
- (III) agenda of the meeting;
- (IV) main points made by the Directors;
- (V) table method and results of each item (the results of the table shall indicate the number of votes for, against or abstained).

**Article 131** The directors shall be liable for the resolutions of the Board. If the resolution of the Board of Directors violates laws, administrative regulations or the Articles of Association or the resolution of the general meeting, resulting in substantial losses to the Company, the directors involving in the resolution shall be liable to the Company. However, the director may be exempted from the liability if his/her objection has been expressed at voting time and recorded in the meeting minutes.

### **Section 3 Secretary to the Board**

**Article 132** The Company shall have a secretary to the Board to take charge of the preparation of the general meetings and the Board meetings, the safekeeping of documents, and the management of the information of shareholders of the Company, etc. The secretary to the Board is the senior management of the Company. The relevant provisions of laws, administrative regulations, departmental rules, and the Articles of Association on the senior management of the Company are applicable to the secretary to the Board.

### **Chapter 6 General Manager and Other Senior Management Members**

**Article 133** The Company shall have a general manager who shall be appointed or removed by the Board.

The Company shall have several deputy general managers who shall be nominated by the general manager and appointed or dismissed by the Board.

The general manager, deputy general managers, the secretary to the Board, and financial officers are senior management of the Company.

**Article 134** The circumstances under which a person is prohibited from acting as a director in the Article 101 of the Articles of Association shall also apply to senior management.

The provisions on the obligations of loyalty and those on the obligations of diligence in Article 103 and items (IV) to (VI) of Article 104 of the Articles of Association respectively shall also apply to the senior management.

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

**Article 135** A person who holds a position other than director or supervisor in any companies of the controlling shareholders or actual controllers of the Company shall not act as senior management of the Company. The Company's senior management shall be only paid by the Company, not by the controlling shareholders.

**Article 136** The general manager shall serve a term of office of three years, and can be re-elected upon expiration of his/her term of office.

**Article 137** The general manager shall be accountable to the Board and exercise the following functions and power:

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

The general manager shall attend the Board meetings.

**Article 138** The general manager shall formulate the working rules of the managers, which shall be submitted to the Board for approval before implementation.

**Article 139** The working rules of managers shall include the following:

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

**Article 140** The general manager may resign before the end of his/her tenure. The specific procedures and methods for the resignation of the general manager shall be stipulated in the employment contract between the general manager and the Company.

**Article 141** The deputy general manager shall be nominated by the general manager and appointed or dismissed by the Board to assist the general manager in carrying out his duties and shall be accountable to the general manager.

**Article 142** If the senior management violates laws, administrative regulations, departmental rules and the Articles of Association while performing his/her duties and causes losses to the Company, he/she shall be liable for compensation.

## **Chapter 7 Supervisory Committee**

### **Section 1 Supervisors**

**Article 143** The circumstances under which a person is prohibited from acting as a Director under Article 101 of Articles of the Association shall also apply to a Supervisor.

The directors, general manager and other senior management members shall not serve concurrently as supervisors.

The supervisors are divided into shareholder representative supervisors and employee representative supervisors, and the employee representative supervisors shall not be less than one-third of the supervisors. Non-employee representative supervisors shall be elected or replaced at the general meeting, while employee representative supervisors shall be elected or replaced democratically by the employees of the Company.

**Article 144** The supervisors shall comply with laws, administrative regulations and the Articles of Association, and bear the faithful obligations and diligence obligations to the Company, and shall not take bribes or other illegitimate benefits by making use of the position, and not seize the properties of the Company.

**Article 145** The term of office of supervisors is three years. Upon expiration of their term, supervisors may serve consecutive terms if re-elected.

**Article 146** If the term of office of a supervisor expires but the supervisor is not re-elected in time, or the resignation of the supervisor during the term of office causes the number of members of the Supervisory Committee to be less than the quorum, the former supervisor shall still perform the duties as a supervisor in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association before the newly elected supervisor takes office.

**Article 147** Supervisors shall ensure that the information disclosed by the Company is true, accurate and complete, and sign written confirmation opinions on periodic reports.

**Article 148** A supervisor shall attend the Board meeting as an observer and raises inquiries or suggestions on matters need to be resolved by the Board of Directors.

**Article 149** The supervisors shall not damage the interests of the Company by taking advantage of their affiliation. They shall be liable for compensation to the Company for the losses arising therefrom.

**Article 150** If a supervisor violates laws, administrative regulations, departmental rules and the Articles of Association while performing his/her duties and causes losses to the Company, he/she shall be liable for compensation.

## **Section 2 Supervisory Committee**

**Article 151** The Company shall have a Supervisory Committee, The Supervisory Committee is composed of 3 supervisors, including a chairman. The chairman of the Supervisory Committee shall be elected by more than half of all Supervisors. The chairman of the Supervisory Committee shall convene and preside over the meetings of Supervisory Committee; where the chairman of Supervisory Committee unable to or fails to fulfill the duties thereof; more than half of the Supervisors shall elect a Supervisor to convene and preside over the meetings of Supervisory Committee.

The Supervisory Committee shall include shareholder representatives and a certain proportion of employee representative supervisors of the Company, and the proportion of employee representatives shall be not less than one-third of the total number of Supervisors. The employee representative supervisors are democratically elected by the Company's employees at the employee representative assembly or otherwise.

**Article 152** The Supervisory Committee shall exercise the following functions and powers:

- (I) to review the regular reports of the Company prepared by the Board of Directors and to submit written review opinions thereon;
- (II) to examine the Company's financial affairs;
- (III) to supervise the directors and senior management in the performance of their duties and to propose the dismissal of directors or senior management who violate laws, administrative regulations or the Articles of Association or resolutions of the general meeting;

- (IV) when the acts of any directors or senior management are found to damage the interests of the Company, to urge them to make correction;
- (V) to propose the convening of extraordinary general meetings and, in case the Board does not perform the obligations to convene and preside over the general meetings in accordance with the Company Law, to convene and preside over the general meetings;
- (VI) to submit proposals to the general meetings;
- (VII) to sue the director or senior management in accordance with Article 151 of the Company Law;
- (VIII) to conduct investigation if there is any unusual circumstance in the Company's operations; and if necessary, to engage a law firm, accounting firm, or other professional institutions to assist in their work with expenses to be borne by the Company.

**Article 153** The Supervisory Committee convenes one meeting at least every six months. The supervisors may propose an extraordinary meeting of the Supervisory Committee.

The supervisors may propose an extraordinary meeting of the Supervisory Committee. In case the Supervisory Committee holds an extraordinary meeting of Supervisory Committee, a written notice shall be given to all supervisors 5 days in advance of the meeting.

In case of emergency and it is necessary to convene an extraordinary meeting of Supervisory Committee as soon as possible, the meeting notice may be sent by telephone or other oral means at any time, provided that the convener shall make explanations on the way of sending the relevant notice at the meeting.

The resolutions of the Supervisory Committee shall be adopted by more than half of the Supervisors.

**Article 154** The Supervisory Committee shall formulate a set of rules for the Supervisory Committee to specify the rules of procedures and voting procedures of the Supervisory Committee in order to ensure the efficiency and scientific method in making decision. The convening and voting procedures of the meeting of the Supervisory Committee shall be specified in the Rules of Procedure for the Supervisory Committee. As an appendix to these Articles of Association, the Rules of Procedure for the Supervisory Committee shall be prepared by the Supervisory Committee and approved at the general meeting.

**Article 155** The Supervisory Committee shall record the decisions of all matters considered at the meeting into the meeting minutes. Participating supervisors shall sign the meeting minutes for confirmation.

Supervisors have the right to have their speeches at the meeting descriptively recorded on the meeting minutes. The meetings minutes of the Supervisory Committee shall be kept in corporate archives for a period of no less than ten years.

**Article 156** The notice of a meeting of Supervisory Committee shall contain the following contents:

- (I) date, place and duration for convening the meeting;
- (II) the reason for convening the meeting and agenda thereof;
- (III) date of issuing the notice.

## **Chapter 8 Financial and Accounting Systems, and Distribution of Profits and Audit**

### **Section 1 Financial and Accounting System**

**Article 157** The Company shall formulate its own financial and accounting systems in accordance with laws, administrative regulations, and rules of the relevant authorities of the state, unless otherwise provided by the securities regulatory authorities where the Company's shares are listed.

A company shall, in each year, issue a consolidated annual financial audit report for the previous year in accordance with the PRC accounting system, which shall be audited by an accounting firm engaged by the company and submitted to the board of Directors and the general meeting for approval, unless otherwise provided by the stock exchange and the securities regulatory authorities where the Company's shares are listed.

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

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

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

After the Company withdraws the statutory reserve from the after-tax profits, the discretionary reserve may be withdrawn from the after-tax profits with the approval of the general meeting.

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

If the general meeting violates the preceding paragraph and distributes profits to shareholders before the Company recovers losses and withdraws statutory common reserve fund, the shareholders shall return the profits distributed in violation of the provisions to the Company.

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

**Article 160** The reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation, or increase its capital. However, the capital reserve will not be used to make up the Company's losses.

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

**Article 161** When a resolution is made by the general meeting of the Company on the profit distribution plan, the Board of Directors shall complete the dividend (or Share) distribution in 2 months after the general meeting.

**Article 162** The Company may distribute dividends in the form of cash or shares as follows:

- (I) The Company's profit distribution principle: the Company implements a dividend distribution policy of same shares and same dividends. Shareholders shall receive dividends and other forms of distribution of interests in proportion to their respective shareholdings. The Company implements a positive profit distribution policy, attaches importance to the reasonable investment return to investors, and maintains continuity and stability. The Company may distribute profits in the form of cash or shares. The profit distribution shall not exceed the scope of accumulated distributable profits and shall not impair the Company's ability to continue as a going concern. The Board, the Supervisory Committee and the general meeting of the Company shall fully consider the opinions of independent non-executive Directors, external Supervisors (if any) and public investors in the decision-making and demonstration process of the profit distribution policy.
- (II) The general form of profit distribution of the Company: the Company shall distribute dividends in cash, shares or a combination of both, and the Company shall give priority to cash dividends for profit distribution if the Company meets the conditions for cash dividends distribution.
- (III) Specific conditions and proportion of the Company's cash dividends: the Company mainly adopts the profit distribution policy of cash dividends, that is, if the Company makes profit in the current year and has distributable profits after making up for losses and making allocations to the statutory common reserve fund and surplus reserve fund in accordance with the law, the Company shall distribute cash dividends; the Company's profit distribution shall not exceed the scope of accumulated distributable profits.

**Article 163** The Company shall appoint collection agents in Hong Kong for holders of overseas listed shares. The collection agents shall, on behalf of the relevant shareholders, receive dividends distributed and other amounts payable by the Company in respect of the overseas listed shares, and keep the same for payment to the relevant shareholders.

The collection agents appointed by the Company shall meet the provisions of the laws of the place, or the relevant regulations of the stock exchange where the Company's shares are listed.

The collection agents appointed by the Company for holders of overseas listed shares listed on the Hong Kong Stock Exchange shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

Subject to compliance with the relevant laws and regulations of the PRC, the Company may exercise the right to forfeit unclaimed dividends, but such right shall not be exercised until the expiry of a period of six years after the date of the dividend announcement.

If the Company ceases sending dividend warrants by post to a holder of overseas listed shares, it shall provide that such warrants have not been withdrawn and the Company shall only exercise such power after such warrants have been withdrawn on two consecutive occasions. However, such right may be exercised after the first occasion on which such a warrant is returned undelivered.

In respect of the exercise of rights to issue warrants to bearer, no new warrant shall be issued to replace one that has been lost unless the Company is satisfied beyond reasonable doubt that the original warrant has been canceled. The Company shall have the right to sell, in such manner as the Board thinks fit, any shares of a holder of overseas listed foreign shares who is untraceable, but is subject to the following conditions:

- (I) The dividends in respect of the shares in question shall have become payable at least three times within 12 years and no dividend during that period has been claimed; and
- (II) After the expiration of the 12-year period, the Company shall publish an announcement in one or more newspapers in the place where the Company is listed, stating its intention to sell the shares, and notify the Hong Kong Stock Exchange of such intention.

**Article 164** The Company shall pay cash dividends and other amounts to holders of domestic unlisted shares in RMB. The Company shall pay cash dividends and other amounts to holders of overseas listed shares, which shall be denominated and declared in RMB and paid in Hong Kong dollars. The foreign currency required for the Company to pay cash dividends and other amounts to the holders of overseas listed shares shall be handled in accordance with the relevant foreign exchange control regulations of the State.

**Article 165** Unless otherwise provided by the relevant laws and administrative regulations, if cash dividends and other payments are to be paid in Hong Kong dollars, the exchange rate shall be the average selling price of the relevant foreign exchange announced by the People's Bank of China for the calendar week prior to the date of declaration of such dividends and other amounts.

## **Section 2 Internal Audit**

**Article 166** The Company shall implement the internal audit system and appoint full-time auditors to supervise its financial revenues and expenditures and economic activities through internal audit.

**Article 167** The Company's internal audit system and the duties of the auditors shall be implemented upon the approval of the Board of Directors. The chief auditor shall be accountable and report to the Audit Committee of the Board.

### **Section 3 Appointment of Accounting Firms**

**Article 168** The Company shall engage an accounting firm that complies with the relevant regulations of the State to audit financial reports, verify the net assets, and offer other relevant consulting services. The term of employment of an accounting firm engaged by the Company shall be one year, which is renewable.

**Article 169** Employing or dismissing an accounting firm for the Company shall be decided by an ordinary resolution at the general meeting. The Board of Directors shall not appoint an accounting firm before a general meeting is held.

**Article 170** The Company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the hired accounting firm, and shall not refuse, conceal or make false reports.

**Article 171** The audit fee of an accounting firm shall be decided by an ordinary resolution at the general meeting.

**Article 172** When the Company dismisses or does not renew the employment of an accounting firm, it shall give a 20-day prior notice to the accounting firm, and the accounting firm shall have the right to state its opinions at the general meeting where a voting process concerning the dismissal of such accounting firm is carried out.

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

### **Chapter 9 Notice and Announcement**

**Article 173** The notices of the Company may be sent out in the following manner:

- (I) by personal delivery;
- (II) by post;
- (III) by announcement;
- (IV) subject to the laws, administrative regulations and listing rules of the stock exchange where the Company's shares are listed, by way of announcement on the websites designated by the Company and the Hong Kong Stock Exchange;
- (V) other manners stipulated by laws, administrative regulations, rules or this Articles of Association.

**Article 174** If a notice of the Company is sent by way of announcement, once an announcement is made, it is deemed that all relevant personnel have received the notice.

**Article 175** The notice of the general meeting held by the Company shall be made by public announcement.

**Article 176** The notice of the Board meeting held by the Company shall be sent by hand, post, e-mail, telephone or fax.

**Article 177** The notice of the meeting of Supervisory Committee held by the Company shall be sent by hand, post, e-mail, telephone or fax.

**Article 178** If the notice of the Company is delivered by hand, the addressee shall sign (or stamp) on the receipt of service, and the date of signature of the addressee shall be the date of service; if a notice of the Company is sent by mail, the date of service shall be the 5th business day after the date of delivery to the post office; and if a notice of the Company is sent by public announcement, the date of the first announcement shall be the date of service. If the notice of the Company is sent by fax, the fax record time shall be the date of service; if the notice of the Company is sent by e-mail, the email record time shall be the date of service.

**Article 179** The meeting and the resolution of the meeting shall not be null and void if the notice of the meeting fails to be delivered to or received by any person entitled to the notice due to accidental omission.

## **Chapter 10 Merger, Division, Capital Increase and Reduction, Dissolution and Liquidation**

### **Section 1 Merger, Division, and Capital Increase and Reduction**

**Article 180** Merger of the Company may take the form of merger by absorption and merger by new establishment.

A company absorbing other companies is a merger by adsorption, and the absorbed company is dissolved. The merger of two or more companies to create a new company is a merger by new establishment, and the merging parties are dissolved.

**Article 181** In the case of a merger, parties to the merger shall execute a merger agreement, and shall prepare the balance sheets and a schedule of assets. The Company shall notify its creditors within a period of 10 days since the date on which the resolution to proceed with the merger is passed, and publish announcements on the newspaper within 30 days. The creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the first public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

**Article 182** After the merger, the rights and the obligations of the merging parties shall be assumed by the company in existence or the newly established company after the merger.

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

For the division of the Company, a balance sheet and a schedule of assets shall be prepared. The Company shall notify its creditors within a period of 10 days since the date on which the resolution to proceed with the division is passed, and publish announcements on the newspaper within 30 days.

**Article 184** Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division jointly and severally, except as otherwise stated in the agreement entered into between creditors and the Company for debt service prior to the division.

**Article 185** In case of reduction of registered capital of the Company, a balance sheet and assets list shall be formulated.

The Company shall notify its creditors within 10 days from the date of the resolution to reduce the registered capital, and publish announcement on the newspaper within 30 days. The creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the first public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.

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

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

## **Section 2 Dissolution and Liquidation**

**Article 187** The Company shall be dissolved if:

- (I) business term specified in the Articles of Association expires or other dissolution reasons as stipulated in the Articles of Association arise;
- (II) the general meeting resolves to dissolve the Company;
- (III) dissolution is required due to merger or division of the Company;
- (IV) the Company is revoked of its business license, ordered to close down or annulled according to law;
- (V) there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of its shareholders and there is no other way to resolve, shareholders who hold an aggregate of over 10% of the whole voting rights can make a petition to the People's Court to dissolve the Company.

**Article 188** For the circumstance in item (I) of Article 187 of the Articles of Association, the Company may continue to subsist by amending the Articles of Association.

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

**Article 189** If the Company is dissolved under items (I), (II), (IV), and (V) of Article 187 of the Articles of Association, a liquidation committee shall be set up, which shall start liquidation within 15 days from the date of occurrence of the cause for dissolution. The members of such liquidation committee shall be determined by the Directors or the general meeting. If the liquidation committee is not established within the prescribed period, creditors can submit an application to the people's court to appoint relevant officers to establish such committee to carry out the liquidation.

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

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

**Article 191** The liquidation committee shall notify its creditors within a period of 10 days since the date it is established, and publish relevant announcements on the newspaper within 60 days. Creditors shall, within 30 days since the date of receiving the notice, or for creditors who do not receive the notice, within 45 days since the date of the public announcement, report their creditors' rights to the liquidation committee.

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

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

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

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

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

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

After the People's Court has ruled for the Company to declare itself bankrupt, the Company's liquidation committee shall refer the liquidation matters to the People's Court.

**Article 194** Following the completion of Company's liquidation, the liquidation committee shall formulate a liquidation report, submit it to the general meeting or the people's court for confirmation, and submit it to the company registry, apply for cancellation of the Company's registration, and announce the Company's termination.

**Article 195** Members of the liquidation committee shall be faithful to their duties and fulfill their liquidation obligations in accordance with the law.

Members of the liquidation committee shall not take advantage of his/her authority to accept bribes or other illegal income, and shall not misappropriate the property of the Company.

Members of the liquidation committee who cause losses to the Company or creditors due to intentional or gross negligence shall be liable for compensation.

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

## **Chapter 11 Amendment to the Articles of Association**

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

- (I) the Company Law after relevant laws and administrative regulations are amended, the provisions of the Articles of Association are in conflict with the provisions of the amended ones;
- (II) there has been a change to the Company, resulting in inconsistency with the contents in the Articles of Association;
- (III) the general meeting decides to amend the Articles of Association.

**Article 198** The amendment to the Articles of Association shall come into effect after being approved by way of special resolution at the general meeting. If the amendments to the Articles of Association are subject to the approval of the competent authorities in accordance with the laws and regulations, such amendments shall be submitted to the competent authorities for approval. Where the Company's registered items are involved, change to registration shall be made according to law.

**Article 199** The Board of Directors shall amend the Articles of Association in accordance with the resolutions of the general meeting and the approval opinions of relevant competent authorities. If the amendments to the Articles of Association are information required to be disclosed by laws and regulations, they shall be announced in accordance with the regulations.

## **Chapter 12 Miscellaneous**

### **Article 200** Definitions

- (I) The term “controlling shareholder” refers to the shareholder whose shares account for more than 50% of the total share capital of the Company; shareholders who hold less than 50% of the shares but whose voting rights are sufficient to have a significant impact on the resolutions of the general meeting.
- (II) The term “actual controller” refers to a person who, although not a shareholder of the Company, is able, through investment relationships, agreements or other arrangements, to actually control the conduct of the Company.
- (III) Connected relationship shall have the meaning as defined in the Listing Rules of the Hong Kong Stock Exchange.
- (IV) Connected persons shall have the meaning as defined in the Listing Rules of the Hong Kong Stock Exchange.

**Article 201** The Articles of Association are prepared in Chinese. In case of discrepancies between any other languages or different versions of the articles of association and the Articles of Association, the Chinese version of the Articles of Association after the latest registration with the company registration authority shall prevail.

**Article 202** Terms of “not less than”, “within”, “not more than” used in the Articles of Association shall include the number itself; while “over”, “below” and “more than” shall exclude the number itself.

**Article 203** This Articles of Association shall be interpreted by the Board of Directors of the Company.

**Article 204** The appendix to these Articles of Association shall include the Rules of Procedure for General Meetings, the Rules of Procedure for Board Meetings and the Rules of Procedure for Meetings of the Supervisory Committee.

**Article 205** The Articles of Association shall become effective from the date on which the overseas listed shares of the Company are listed and traded on the Main Board of the Hong Kong Stock Exchange. The amendments shall become effective upon approval by a special resolution at the general meeting.

**Article 206** Matters not covered in the Articles of Association shall be handled in accordance with the relevant laws, administrative regulations, departmental rules, regulatory documents and the listing rules of the stock exchange where the Company's shares are listed and the actual situation of the Company. In case of any conflict between the Articles of Association and the newly promulgated national laws, administrative regulations, departmental rules, regulatory documents and the listing rules of the stock exchange where the Company's shares are listed, the newly promulgated laws, administrative regulations or the listing rules of the place where the Company's shares are listed shall prevail.