

SUNSHINE LAKE PHARMA CO., LTD.

ARTICLES OF ASSOCIATION

Reviewed, amended and approved at the annual general meeting of the Company
on 18 June 2026 and effective on 18 June 2026

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ARTICLES OF ASSOCIATION OF SUNSHINE LAKE PHARMA CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to standardize the organization and behaviors of Sunshine Lake Pharma Co., Ltd. (hereinafter referred to as the “Company”), and protect the legitimate interests of the Company, shareholders and creditors, these Articles are formulated in accordance with the requirements of the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “SEHK Listing Rules”) and other relevant laws and regulations, and with reference to the Guidelines for Articles of Association of Listed Companies.

Article 2 The Company was established by overall conversion from Sunshine Lake Pharma Limited to a joint stock limited company in accordance with the Company Law and other relevant requirements, registered with the Dongguan Municipal Administration for Market Regulation and obtained a business licence.

The Company’s unified social credit code is 914419007583367471.

Article 3 The Company completed the filing procedures with the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) on June 16, 2025 to issue 112,712,832 overseas listed shares (hereinafter referred to as the “H Shares”) on the Main Board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) and was listed by way of introduction on the Main Board of the Hong Kong Stock Exchange on August 7, 2025.

Shares issued by the Company but not listed or quoted on domestic or overseas stock exchanges are referred to as domestic unlisted shares. After issuance and listing of shares overseas by the Company, shareholders holding domestic unlisted shares of the Company may convert their domestic unlisted shares into H shares that are listed for trading on overseas stock exchanges, as permitted by relevant laws, administrative regulations and departmental rules. The listing and trading of such shares on overseas stock exchanges shall also be subject to the regulatory procedures, regulations and requirements of the domestic and overseas stock markets. In the case of the conversion of the abovementioned domestic unlisted shares into H shares that are listed for trading on overseas stock exchanges, it is not required to convene a shareholders’ general meeting to vote on the matter.

Article 4 The Company's registered name is: 廣東東陽光藥業股份有限公司

Full name in English: SUNSHINE LAKE PHARMA CO., LTD.

Article 5 The Company's domicile is 1 Industrial North Road, Songshan Lake Park, Dongguan City, Guangdong Province, the PRC.

Article 6 The registered capital of the Company is RMB576,656,047.

Article 7 The chairman of the Board of Directors is the legal representative of the Company.

If the chairman serving as the legal representative resigns, it shall be deemed that the legal representative has simultaneously resigned.

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

Article 8 The legal consequences of civil activities performed by the legal representative in the name of the Company shall be borne by the Company.

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

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

Article 9 The shareholders of the Company shall bear liability for the Company to the extent of the shares they hold, and the Company shall bear liability for the debts of the Company with its entire assets.

Article 10 From the date when these Articles take effect, these Articles constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders, and be legally binding on the Company and its shareholders, directors and senior management. A shareholder may bring an action against another shareholder or any director, the general manager or any other senior management of the Company, or the Company, and the Company may bring an action against any of its shareholder(s), director(s), the general manager or other senior management, in each case, in accordance with these Articles.

Article 11 The senior management referred to in these Articles include general manager, deputy general managers, financial officer, secretary to the Board of Directors and other senior management recognized by the Board.

CHAPTER 2 BUSINESS OBJECTIVES AND SCOPE OF THE COMPANY

Article 12 The business objective of the Company is scientific innovation for healthy life.

Article 13 The business scope of the Company covers licensed items: Production of medicines; retail of medicines; wholesale of medicines; entrusted production of medicines; import and export of medicines; (Items that are subject to approval in accordance with the law may only be carried out upon approval by relevant departments. The specific operation items are subject to the approvals or licenses from relevant departments) and general items: medical research and experimental development; import and export of goods; import and export of technologies. (Except for items subject to approval in accordance with the law, business activities shall be carried out independently under the business license in accordance with the law).

The business scope referred to in the preceding paragraph shall be such items as approved by the relevant company registration authority.

CHAPTER 3 SHARES

SECTION 1 ISSUE OF SHARES

Article 14 The shares of the Company shall be in registered form.

Article 15 The Company shall issue shares in a fair and just manner, and each share of the same class shall have the same rights.

The issue terms and price per share of the same class in the same issue shall be the same; the same price shall be paid for each share of the same class during the same share issue subscribed for by any entities or individuals.

The H Shares issued by the Company shall be primarily deposited with a custodian company under the Hong Kong Securities Clearing Company Limited, and may also be held by shareholders in their own names in accordance with the laws and the practice of registration, and deposit of securities in the listing place of the shares of the Company.

Article 16 All the shares issued by the Company shall have a par value denominated in RMB. The domestic unlisted shares issued by the Company shall be registered and deposited at the domestic securities registration and settlement institution in a centralized manner, and the registration and settlement arrangements for H shares, etc., shall be subject to the regulations of the overseas listing venue.

Article 17 The total number of shares was 450,000,000 upon the Company's incorporation, all of which are common shares subscribed for by the promoters. Each promoter has paid up capital contributions in respect of the Company's shares he/she subscribed for. The names of the Company's promoters, number of shares subscribed for, method of contribution, date of contribution, and shareholding percentage are set out below:

No.	Names of promoters	Number of Shares held (shares)	Shareholding percentage (%)	Method of contribution	Date of contribution
1	Yichang HEC Research Co., Ltd.	126,238,500	28.0534	Shares converted from net assets	June 19, 2023
2	Jiaying Xingsheng Dongyan Investment Partnership (L.P.)	9,679,689	2.1510	Shares converted from net assets	June 19, 2023
3	Jiaying Xingsheng Guangchuang Investment Partnership (L.P.)	1,319,958	0.2933	Shares converted from net assets	June 19, 2023
4	Shenzhen Dicheng Investment Center (L.P.)	2,111,933	0.4693	Shares converted from net assets	June 19, 2023
5	Yidu Junjiafang Equity Investment Partnership (L.P.)	7,651,813	1.7004	Shares converted from net assets	June 19, 2023
6	Yidu Shuaixinwei Equity Investment Partnership (L.P.)	30,607,250	6.8016	Shares converted from net assets	June 19, 2023
7	Dongyang Guangsheng Enterprise Management Partnership (L.P.)	13,595,563	3.0212	Shares converted from net assets	June 19, 2023
8	Guangdong Advanced Manufacturing Industry Investment Fund Partnership (L.P.)	13,199,575	2.9332	Shares converted from net assets	June 19, 2023

No.	Names of promoters	Number of the Company's Shares held (shares)	Shareholding percentage (%)	Method of contribution	Date of contribution
9	Guangzhou Xinquanxin Investment Partnership (L.P.)	59,398	0.0132	Shares converted from net assets	June 19, 2023
10	Shenzhen Qinzhi Kanghong Venture Capital Partnership (L.P.)	2,089,934	0.4644	Shares converted from net assets	June 19, 2023
11	Gongqingcheng Jianyi Investment Partnership (L.P.)	5,719,816	1.2711	Shares converted from net assets	June 19, 2023
12	Wuhan Mige Investment Management Partnership (L.P.)	1,957,938	0.4351	Shares converted from net assets	June 19, 2023
13	Jiaying Ximian Equity Investment Partnership (L.P.)	659,978	0.1467	Shares converted from net assets	June 19, 2023
14	Zhuhai Hengqin Cuiheng New Era Industrial Investment Fund (L.P.)	1,209,961	0.2689	Shares converted from net assets	June 19, 2023
15	Yidu Yingwenfang Equity Investment Partnership (L.P.)	11,477,892	2.5506	Shares converted from net assets	June 19, 2023
16	Yidu Fangwenwen Equity Investment Partnership (L.P.)	11,477,892	2.5506	Shares converted from net assets	June 19, 2023
17	China Cinda Asset Management Co., Ltd.	10,239,236	2.2754	Shares converted from net assets	June 19, 2023
18	China Orient Asset Management Co., Ltd.	9,541,955	2.1204	Shares converted from net assets	June 19, 2023
19	Zhuhai Kangyang Management Consulting Partnership (L.P.)	6,599,787	1.4666	Shares converted from net assets	June 19, 2023
20	Jiaying Jiayu Equity Investment Partnership (L.P.)	8,799,718	1.9555	Shares converted from net assets	June 19, 2023

No.	Names of promoters	Number of the Company's Shares held (shares)	Shareholding percentage (%)	Method of contribution	Date of contribution
21	Dongguan Guanzhiguang Equity Investment Partnership (L.P.)	2,199,929	0.4889	Shares converted from net assets	June 19, 2023
22	Shenzhen Xinshi Xinxing Industry Merger and Acquisition Equity Investment Fund Partnership (L.P.)	3,255,896	0.7235	Shares converted from net assets	June 19, 2023
23	Jiaxing Aomin Equity Investment Partnership (L.P.)	910,771	0.2024	Shares converted from net assets	June 19, 2023
24	Pingxiang Junyuan Tongchuang Enterprise Management Center (L.P.)	439,986	0.0978	Shares converted from net assets	June 19, 2023
25	Huzhou Rongrui Equity Investment Partnership (L.P.)	4,993,839	1.1097	Shares converted from net assets	June 19, 2023
26	Yuan Zhimin	6,599,787	1.4666	Shares converted from net assets	June 19, 2023
27	Guangzhou Yuanshi No. 1 Venture Investment Partnership (L.P.)	1,513,551	0.3363	Shares converted from net assets	June 19, 2023
28	Zhuji Wolun Jingfu Equity Investment Partnership (L.P.)	1,319,958	0.2933	Shares converted from net assets	June 19, 2023
29	Hunan Xingxiang Jiacheng Private Equity Investment Fund Partnership (L.P.)	1,099,965	0.2444	Shares converted from net assets	June 19, 2023
30	Shenzhen Jiahui Chuanglong Investment Enterprise (L.P.)	1,000,967	0.2224	Shares converted from net assets	June 19, 2023
31	Wenzhou Zhenrui Equity Investment Partnership (L.P.)	3,702,481	0.8228	Shares converted from net assets	June 19, 2023

No.	Names of promoters	Number of the Company's Shares held (shares)	Shareholding percentage (%)	Method of contribution	Date of contribution
32	Zaozhuang Changsheng Yingkang Equity Investment Management Partnership (L.P.)	1,099,965	0.2444	Shares converted from net assets	June 19, 2023
33	Dongguan Science & Technology Innovative Financial Group Co., Ltd.	2,199,929	0.4889	Shares converted from net assets	June 19, 2023
34	Dongguan Municipal Biotechnology Industry Investment Co., Ltd.	2,199,929	0.4889	Shares converted from net assets	June 19, 2023
35	Dongguan Songshan Lake Science City Investment Co., Ltd.	6,599,787	1.4666	Shares converted from net assets	June 19, 2023
36	Ruyuan Yao Autonomous County Yinyuan Electric Power Group Co., Ltd.	1,099,965	0.2444	Shares converted from net assets	June 19, 2023
37	Ningbo Daxie Hansheng Enterprise Management Co., Ltd.	2,199,929	0.4889	Shares converted from net assets	June 19, 2023
38	Guangdong Shunyin Industry Financing Investment Co., Ltd.	2,199,929	0.4889	Shares converted from net assets	June 19, 2023
39	Shenzhen Wenzheng Changxing Venture Capital Enterprise (L.P.)	1,185,761	0.2635	Shares converted from net assets	June 19, 2023
40	Guiyang SME Development Fund (L.P.)	1,099,965	0.2444	Shares converted from net assets	June 19, 2023
41	Yidu Guotong Investment and Development Co., Ltd.	2,199,929	0.4889	Shares converted from net assets	June 19, 2023

No.	Names of promoters	Number of the Company's Shares held (shares)	Shareholding percentage (%)	Method of contribution	Date of contribution
42	Shaoguan Qianhai Xizheng Industry Development Fund Enterprise (L.P.)	2,199,929	0.4889	Shares converted from net assets	June 19, 2023
43	Suzhou CICC SAIC Emerging Industry Equity Investment Fund Partnership (L.P.)	3,299,894	0.7333	Shares converted from net assets	June 19, 2023
44	Zhuhai Kangpu Equity Investment Partnership (L.P.)	4,201,864	0.9337	Shares converted from net assets	June 19, 2023
45	CCB Financial Asset Investment Co., Ltd.	6,599,790	1.4666	Shares converted from net assets	June 19, 2023
46	Guangdong HEC Technology Holding Co., Ltd.	50,989,649	11.3310	Shares converted from net assets	June 19, 2023
47	Hangzhou Zhonghe Guoxin No. 1 Equity Investment Fund Partnership (L.P.)	558,333	0.1241	Shares converted from net assets	June 19, 2023
48	Shenzhen HEC Industrial Development Co., Ltd.	58,790,537	13.0646	Shares converted from net assets	June 19, 2023
Total		450,000,000	100.0000	–	–

Article 18 The total share capital of the Company is 576,656,047 ordinary shares, including 255,552,907 domestic shares and 321,103,140 H Shares.

Article 19 The Company or its subsidiaries (including affiliates of the Company) shall not provide any financial assistance in the form of gifts, advances, guarantees, compensation or loans to purchasers or prospective purchasers of the Company's shares, except for the implementation of the employee stock ownership plan of the Company. In the interests of the Company, by a resolution of the shareholders' general meeting or a resolution of the board of directors in accordance with the Articles of Association or the authorization of the shareholders' general meeting, the Company may provide financial assistance for other persons to obtain the shares of the Company or its parent company, provided that the total accumulative amount of the financial assistance shall not exceed ten percent of the total issued share capital. Resolutions of the board of directors shall be passed by two-thirds or more of all the directors.

SECTION 2 INCREASE, DECREASE AND REPURCHASE OF SHARES

Article 20 The Company may increase registered capital by the following ways in light of its business and development needs and in accordance with the relevant laws and regulations, the listing rules of the place where the shares of the Company are listed and these Articles and by resolutions made at shareholders' general meetings:

- (I) issuance of shares to non-specific investors;
- (II) issuance of shares to specific investors;
- (III) distributing bonus shares to existing shareholders;
- (IV) transferring reserve funds to increase share capital;
- (V) any other ways stipulated by laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed.

Article 21 The Company may not purchase its own shares except in any of the following circumstances:

- (I) reducing the registered capital of the Company;
- (II) merging with other companies holding shares of the Company;
- (III) using the shares for employee shareholding schemes or as share incentives;
- (IV) requesting the Company to repurchase its shares from shareholders who object to resolutions of the shareholders' general meeting concerning merger or division of the Company;
- (V) using the shares for conversion of convertible corporate bonds issued by the Company;
- (VI) it is necessary for the Company to maintain its value and the shareholders' equity;

The Company may repurchase its shares through open and centralized trading or other methods permitted by laws, administrative regulations, the CSRC and the stock exchange where the Company's shares are listed.

Article 22 Repurchase of the Company's shares for reasons set out in (I) to (II) of the first paragraph of Article 21 of these Articles shall be subject to a resolution at a shareholders' general meeting. Repurchase of the Company's shares for reasons specified in (III), (V) or (VI) of Article 21 of these Articles, subject to applicable securities regulatory rules of the place where the Company's shares are listed, shall be subject to a resolution at a Board meeting at which no less than two thirds of the Directors are present in accordance with these Articles or with the authorization of the shareholders' general meeting.

Article 23 Shares repurchased by the Company under (I) of the first paragraph of Article 21 herein shall be cancelled within 10 days from the date of repurchase; shares repurchased under (II) and (IV) of the first paragraph of Article 21 herein shall be transferred or cancelled within 6 months thereafter; and the total number of shares of the Company held by the Company repurchased in accordance with (III), (V) and (VI) of the first paragraph of Article 21 herein shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years.

Where the laws and regulations, normative documents and the relevant provisions of the securities regulatory authority at the place where the shares of the Company are listed have any other provisions in respect of the relevant matters relating to the aforesaid share repurchase, such provisions shall prevail.

SECTION 3 TRANSFER OF SHARES

Article 24 Shares of the Company may be transferred, presented, inherited and pledged pursuant to relevant laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

All transfers of H Shares shall be executed with a written instrument of transfer in general or ordinary format or any other format accepted by the Board of Directors (including the standard format of transfer or form of transfer as required by the Hong Kong Stock Exchange from time to time). If the transferor or transferee of the shares of the Company is a recognised clearing house as defined by relevant ordinances of Hong Kong laws in force from time to time (hereinafter referred to as the "Recognised Clearing House") or its nominee, the signature on the written instrument of transfer may be signed by hand or in mechanically printed form. All instruments of transfer must be kept at the legal address of the Company or other place as may be designated by the Board of Directors from time to time.

Article 25 The Company shall not accept its own shares as the subject matter of pledge.

Article 26 Shares previously issued by the Company prior to the public offering shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange.

The Directors 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 the same class of shares of the Company held by them each year during their 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.

Where there are other requirements on the transfer restrictions of H Shares by the securities regulatory authority at the place where the Company's shares are listed, such requirements shall prevail.

CHAPTER 4 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

SECTION 1 SHAREHOLDERS

Article 27 The Company shall establish a register of shareholders based on the shareholdings of its shareholders and in accordance with laws, regulations, normative documents and the SEHK Listing Rules. The register of shareholders shall constitute sufficient evidence of shareholders' holdings of shares of the Company. Shareholders shall enjoy rights and assume obligations according to the class of shares held by them; shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

Transfers and transmissions of shares shall be registered in the register of shareholders. The register of holders of H Shares shall be maintained outside the PRC and managed by an overseas agent entrusted by the Company. The original register of holders of H Shares listed in Hong Kong shall be maintained in Hong Kong, provided that the Company may suspend the registration of shareholders, if necessary, in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed. A duplicate register of holders of H Shares listed in Hong Kong shall be maintained at the Company's domicile. The entrusted overseas agent shall at all times ensure the consistency between the original and duplicate registers of holders of H Shares. In the event of any inconsistency between the original and duplicate registers of holders of H Shares, the original register shall prevail.

The Company shall maintain a complete register of shareholders. The register of shareholders shall comprise the following parts: (i) the register of shareholders maintained at the Company's domicile, other than those registers specified in clauses (II) and (III) of this Article; (ii) the registers of shareholders of H Shares of the Company kept at the location(s) of the overseas stock exchange(s) on which the shares are listed; and (iii) such other registers of shareholders maintained at such other places as the Board may decide for the purposes of the listing of the Company's shares.

Alteration or rectification of each part of the register of shareholders shall be made in accordance with the laws of the place where each part of the register of shareholders is kept.

Article 28 If the Company convenes a shareholders' general meeting, distributes dividends, liquidates or carries out other activities which would require the determination of shareholders' identity, the Board or convener of the shareholders' general meeting shall fix a shareholding registration date. Upon the close of such date, the shareholders who remain on the register shall be deemed as the shareholders entitled to relevant interests.

Article 29 Shareholders of the Company shall have the following rights:

- (I) to receive distributable profits and other distributions in proportion to the number of shares they hold;
- (II) to lawfully require, convene, preside over, attend or appoint a proxy to attend shareholders' general meetings and to vote thereat as per their shareholdings;
- (III) to supervise, present suggestions on or make inquiries about the business activities of the Company;
- (IV) to transfer, gift, pledge or otherwise dispose of their shares in accordance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles;
- (V) to review and copy these Articles, the register of shareholders, minutes of meeting, resolutions of the board of directors and financial and accounting reports, and to review the Company's accounting books and accounting documents (for shareholders who meet the requirements);
- (VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company according to the number of shares held;

- (VII) with respect to shareholders who vote against any resolution adopted at the shareholders' general meeting on the merger or division of the Company, the right to demand the Company to acquire the shares held by them;
- (VIII) any other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 30 Shareholders who individually or in aggregate hold 3% or more of the shares of the Company for 180 or more consecutive days may request to inspect the Company's accounting books and accounting vouchers. If the shareholders request to access the Company's accounting books and accounting vouchers, they shall submit a written request to the Company and explain the purpose. If the Company has reasonable grounds to believe that the purpose of the shareholder's access to the accounting books and accounting vouchers is illegitimate, and the legitimate interests of the Company may be prejudiced, it may refuse to provide access, and shall reply to the shareholder in writing and explain the reasons within 15 days from the date of the shareholder's written request. If the Company refuses to provide access, the shareholders may initiate a lawsuit in the people's court.

A shareholder may appoint an intermediary organization such as an accounting firm or law firm to access the materials specified in the preceding paragraph.

Shareholders and the intermediary organizations, such as accounting firms and law firms, appointed by them to inspect and copy the relevant materials shall comply with the provisions of laws and administrative regulations on the protection of state secrets, commercial secrets, personal privacy and personal information.

Where a shareholder requests to inspect or copy the relevant materials of wholly-owned subsidiaries of the Company, the provisions of the preceding paragraph shall apply.

Article 31 Where a shareholder requests to inspect the information mentioned in the preceding Article or requests to obtain information, he/she shall submit to the Company written documents evidencing the class and number of shares held by him or her. The Company shall provide information in accordance with the request of shareholders after authenticating his/her identity.

Article 32 If any resolution of the shareholders' general meeting or the Board meeting violates the laws or administrative regulations, the shareholders shall have the right to submit to the People's Court to declare the resolution invalid.

If the convening procedures or voting methods for the shareholders' general meeting or the Board meeting violate the laws, administrative regulations or these Articles, or any content of the resolution thereof violates these Articles, the shareholders shall have the right to submit to the People's Court within 60 days after such a resolution is made to revoke it.

Article 33 Resolutions of the shareholders' general meeting or Board meeting of the Company shall not be valid under any of the following circumstances:

- (I) no meetings or Board meetings has been convened to pass a resolution;
- (II) the resolution is not voted on at the shareholders' general meeting or Board meeting;
- (III) the number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association;
- (IV) the number of persons agreeing to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association.

Article 34 Shareholders individually or jointly holding no less than 1% of the Company's shares for no less than 180 consecutive days shall have the right to request the Audit Committee in writing to bring a legal action in the People's Court against any Director or senior management outside the Audit Committee for loss of Company resulting from their violation of any laws, administrative regulations or provisions of these Articles in the course of performing their duties; shareholders may request the Board in writing to bring a legal action against the Audit Committee for the loss of the Company resulting from their violation of any laws, administrative regulations or provisions of these Articles in the course of performing the duties.

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

If any person infringes the lawful rights and interests of the Company, thus causing any losses to the Company, the shareholders as mentioned in the first paragraph of this Article may initiate legal proceedings in the People's Court in accordance with the provisions of the preceding paragraphs.

Article 35 If any Director or senior management is in violation of laws, administrative regulations or these Articles, thus causing any losses to the shareholders, the shareholders may initiate legal proceedings against such Director or senior management in the People's Court.

Article 36 Shareholders of the Company shall assume the following obligations:

- (I) to observe laws, administrative regulations and these Articles;
- (II) to pay fund contributions as per the number of shares subscribed for and the method of subscription;
- (III) not to withdraw their shares unless required by laws and regulations;
- (IV) not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardize the interests of any creditors of the Company;
- (V) other obligations imposed by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and these Articles.

Where any shareholder of the Company abuses the shareholders' rights and incur losses to the Company or other shareholders, such shareholder shall be liable for the damages according to law; Where shareholders of the Company abuse the Company's status as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Article 37 The controlling shareholders, actual controller, Directors and senior management of the Company shall not use their connected relationships to jeopardize the interests of the Company; otherwise, they shall make compensation for the loss incurred by the Company.

The controlling shareholders and actual controller of the Company shall have fiduciary duties towards the Company and its public shareholders. Each of the controlling shareholders shall exercise its rights as a capital contributor in strict compliance with the laws. The controlling shareholders shall not jeopardize the legitimate rights and interests of the Company and public shareholders by means of profit distribution, asset restructuring, external investment, fund appropriation, loan guarantee, etc., and shall not use its status of control to jeopardize the interests of the Company and public shareholders.

SECTION 2 CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS

Article 38 The controlling shareholders and actual controllers of the Company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, CSRC, the securities regulatory rules of the place where the shares of the Company are listed, and safeguard the interests of the Company.

Article 39 Controlling shareholders and actual controllers of the Company shall comply with the following provisions:

- (I) to exercise their rights as shareholders in accordance with the law and not abuse their control or use their affiliation to prejudice the legitimate interests of the Company or other shareholders;
- (II) to strictly implement the public statements and undertakings made and shall not change or waive them;
- (III) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure and to inform the Company in a timely manner of material events that have occurred or are proposed to occur;
- (IV) not to appropriate the Company's funds in any way;
- (V) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;

- (VI) not to make use of the Company's undisclosed material information to gain benefits, not to divulge in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;
- (VII) not to prejudice the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;
- (VIII) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organisation and business, and not to affect the independence of the Company in any way;
- (IX) other provisions prescribed by laws, administrative regulations, requirements of the CSRC, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If the Company's controlling shareholders or actual controllers do not serve as directors of the Company but actually execute the Company's affairs, the provisions of the Articles of Association on directors' duties of loyalty and diligence shall apply.

If the Company's controlling shareholders or actual controllers instruct directors or senior management members to engage in activities that damage the interests of the Company or shareholders, they shall bear joint and several liability with such directors or senior management members.

Article 40 If the controlling shareholders or actual controllers pledge the Company's shares held by them or under their effective control, they shall maintain the Company's control right and production and operation stability.

Article 41 If the controlling shareholders or actual controllers transfer the Company's shares held by them, they shall comply with the restrictive provisions on share transfer in laws, administrative regulations and the relevant regulations of the CSRC and securities regulatory rules of the place where the Company's shares are listed, and the commitments made on restricting share transfer.

SECTION 3 GENERAL PROVISIONS OF THE SHAREHOLDERS' GENERAL MEETING

Article 42 The shareholders' general meeting of the Company consists of all shareholders, and is the organ of authority of the Company, which shall exercise the following functions and powers:

- (I) to elect and replace Directors who are not representatives of the employees and to determine matters relating to remuneration of the Directors;
- (II) to consider and approve the reports of the Board;
- (III) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (IV) to resolve on increase or decrease of the registered capital of the Company;
- (V) to resolve on the issue of company bonds;
- (VI) to resolve on the merger, division, dissolution and liquidation of the Company or changes in the form of the Company;
- (VII) to amend these Articles;
- (VIII) to pass resolutions on the appointment and dismissal of accounting firms engaged by the Company to undertake its audit services;
- (IX) to consider and approve the external guarantees of the Company that require the approval by the shareholders' general meetings;
- (X) to consider the acquisition or disposal of material assets by the Company within one year with a value exceeding 30% of the latest audited total assets of the Company;
- (XI) to consider and approve changes to the use of the proceeds raised;
- (XII) to consider equity incentive plans and employee stock ownership plans;

- (XIII) to consider any transaction of the Company which, when calculated in accordance with the percentage ratios under Chapter 14 of the SEHK Listing Rules, results in any applicable percentage ratio reaching twenty-five percent (25%) or more (including any single transaction or any series of transactions required to be aggregated, but excluding any transaction exempt from approval at a shareholders' general meeting under the SEHK Listing Rules or with the approval of the Hong Kong Stock Exchange); or any connected transaction of the Company which, when calculated in accordance with the percentage ratios under Chapter 14A of the SEHK Listing Rules, results in any applicable percentage ratio reaching five percent (5%) or more (including any single transaction or any series of transactions required to be aggregated, but excluding any connected transaction exempt from approval at a shareholders' general meeting under the SEHK Listing Rules or with the approval of the Hong Kong Stock Exchange);
- (XIV) to resolve on other matters to be resolved thereby as required by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed or these Articles.

Except for authorising the Board to pass resolutions on the issuance of corporate bonds, the aforesaid powers of the shareholders' general meeting shall not be delegated to the Board or any other institutions or individuals by way of authorisation. Save for the aforesaid matters, subject to compliance with the mandatory provisions of laws and regulations and the relevant laws, regulations and regulatory rules of the place where the Company's shares are listed, the shareholders' general meeting may authorise or entrust the Board and/or the persons authorised by the Board to handle matters so authorised or entrusted.

The shareholders' general meeting may resolve to remove any Director, and such removal shall take effect on the date on which the relevant resolution is passed. Where a Director is removed without proper cause prior to the expiration of his/her term of office, such Director may require the Company to make compensation therefor.

Article 43 The provision of any external guarantee by the Company (excluding any guarantees accepted by the Company from or provided to any corporation or other entities consolidated in the Company's financial statements, and which are not required to be approved by the shareholders' general meetings) shall be considered and passed by the Board. The guarantee offered by the Company to a shareholder or actual controller of the Company shall be approved by the shareholders' general meeting.

When the shareholders' general meeting is considering a proposal to provide guarantees for any shareholder, actual controller or their connected parties, the said shareholder or the shareholders controlled by the said actual controller and their connected parties (and the relevant persons stipulated under the listing rules of the place where the shares are listed) shall abstain from voting on the said proposal, and the said proposal shall be subject to approval by no less than half of the voting rights of the other attending shareholders.

Where the Company violates the approval authorities of the shareholders' general meeting or the Board in relation to the provision of external guarantees, or provides external guarantees in violation of the approval authorities or review procedures as stipulated in these Articles, the relevant responsible persons shall be held liable in accordance with the relevant laws, regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 44 Shareholders' general meetings are classified into annual general meetings and extraordinary general meetings. The annual general meetings shall be convened once a year and shall be held within 6 months from the end of the previous fiscal year.

The extraordinary general meetings shall be convened as and when necessary. The Company shall convene an extraordinary general meeting within two months from the actual occurrence of any of the following circumstances:

- (I) when the number of Directors is less than the minimum number stipulated in the Company Law or two-thirds of the number required in these Articles;
- (II) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-in share capital;

- (III) where any shareholder(s) holding individually or collectively 10% (excluding voting proxy) or more of the Company's shares carrying voting rights request(s) in writing for the convening of an extraordinary general meeting;
- (IV) when deemed necessary by the Board or when requested by the Audit Committee;
- (V) other situations stipulated in laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or these Articles.

Article 45 The venue for convening a shareholders' general meeting of the Company shall be the Company's domicile or such other place as expressly specified in the notice of the meeting. Shareholders' general meetings shall be held by way of on-site meetings, and the specific venue of the meeting shall be expressly stated in the notice of the shareholders' general meeting. The Company shall also, in accordance with the relevant provisions and resolutions of the Board, provide other means to facilitate shareholders' participation in shareholders' general meetings. Shareholders participating in a shareholders' general meeting through the aforesaid means shall be deemed to have attended the meeting. After the notice of a shareholders' general meeting has been issued, the venue of the on-site meeting shall not be changed without proper cause.

On the premise of the lawfulness and validity of shareholders' general meetings, according to the laws, administrative regulations, departmental rules and securities regulatory rules for the place where the Company's shares are listed, the Company shall facilitate the participation and voting of shareholders in shareholders' general meetings through electronic means by providing Internet, video, telephone or other means. The shareholders shall be deemed as present when participating in the shareholders' general meeting via the above-mentioned methods. Where shareholders participate in a shareholders' general meeting remotely through online, video, telephone or other means, they shall complete registration and identity verification in advance in accordance with the requirements set out in the notice of the shareholders' general meeting, provide their personal information to the Company, and attend the shareholders' general meeting using the network link and password provided by the Company. Without affecting the normal convening of the shareholders' general meeting, the Board and the chairman of the meeting shall arrange for shareholders participating remotely in the shareholders' general meeting to speak and raise questions during the meeting.

SECTION 4 CONVENING OF THE SHAREHOLDERS' GENERAL MEETING

Article 46 Shareholders' general meetings shall be convened by the Board in accordance with the law, unless otherwise provided by laws or these Articles.

Article 47 The Board shall convene shareholders' general meetings within the prescribed time limit. Subject to the consent of more than one-half of all independent non-executive Directors, independent non-executive directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. The Board shall, in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon 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 upon the passing of the Board resolution. If the Board does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

Article 48 The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting and such proposal shall be made to the Board of Directors in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original proposal made in the notice shall be approved by the Audit Committee.

If the Board of Directors does not agree to convene the extraordinary general meeting or fails to furnish a reply within 10 days upon receipt of such proposal, the Board of Directors shall be deemed to be unable or fail to perform the duty of convening the shareholders' general meeting, and the Audit Committee may convene and preside over the meeting on its own.

Article 49 Shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting, and such request shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of such request.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original request made in the notice shall be approved by the relevant shareholders.

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

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

If the Audit Committee fails to issue the notice of the shareholders' general meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the shareholders' general meeting, and shareholders individually or jointly holding 10% or more of the shares of the Company for 90 consecutive days may convene and preside over the meeting on their own.

Article 50 If the Audit Committee or shareholders decide to convene a shareholders' general meeting on their own, they shall notify the Board of Directors in writing.

The shareholding of the convening shareholders shall not be less than 10% before the announcement of the resolutions of the shareholders' general meeting.

Article 51 The Board of Directors and the secretary to the Board of Directors shall cooperate with the Audit Committee or the shareholders convening the shareholders' general meeting on their own upon receipt of the notice. The Board of Directors shall provide the register of shareholders on the shareholding registration date.

Article 52 All reasonable expenses incurred for the shareholders' general meeting convened by the Audit Committee or shareholders on their own shall be borne by the Company.

SECTION 5 PROPOSALS AND NOTICES OF THE SHAREHOLDERS' GENERAL MEETING

Article 53 The contents of the proposals shall fall within the terms of reference of the shareholders' general meeting, have clear topics and specific resolutions, and comply with the relevant provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 54 When the Company convenes a shareholders' general meeting, the Board of Directors, Audit Committee and shareholders individually or jointly holding 1% or more of the total voting shares of the Company are entitled to propose resolutions in writing to the Company.

Shareholders individually or jointly holding 1% or more of the shares of the Company are entitled to propose new resolutions in writing to the Company and submit them to the convener 10 days before the meeting. The convener of the shareholders' general meeting shall issue a supplementary notice of the shareholders' general meeting within 2 days upon the receipt of such proposal and announce the contents of the interim proposals, and submit such provisional proposals to the shareholders' general meeting for consideration, unless the provisional proposals violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the scope of authority of the shareholders' general meeting. If the securities regulatory rules of the places where the Company's shares are listed require the shareholders' general meeting to be postponed as a result of the supplemental notice, the convening of the shareholders' general meeting shall be postponed in accordance with the requirements of such securities regulatory rules.

Except as provided in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the shareholders' general meeting or add new proposals after issuing the notice of the shareholders' general meeting. Where the convener is required to supplement or rectify the contents of any proposal in accordance with the relevant provisions, no substantive amendment shall be made to such proposal, and the relevant supplemental or rectification announcement shall be published prior to the commencement of voting at the shareholders' general meeting.

Proposals not set out in the notice of the shareholders' general meeting or not in compliance with these Articles shall not be voted on or resolved at the shareholders' general meeting.

Article 55 Where the Company convenes an annual general meeting, the convener shall notify each of the shareholders in writing (including announcements) 21 days before the meeting; in the case of an extraordinary general meeting, the convener shall notify each of the shareholders in writing (including announcements) 15 days prior to the meeting. In calculating the commencement of a prescribed period, the date of the meeting shall be excluded, but the date on which the notice is given shall be included.

Article 56 The notice of a shareholders' general meeting shall:

- (I) specify the time, venue and date of the meeting;
- (II) set out the matters and proposals to be considered at the meeting;
- (III) contain conspicuously a statement that all shareholders have the right to attend the shareholders' general meeting, and may appoint a proxy in writing, who need not be a shareholder, to attend and vote on his/her behalf;
- (IV) specify the shareholding registration date of the shareholders entitled to attend the shareholders' general meeting;
- (V) contain the name and telephone number of permanent contact persons for the affairs of the meeting;
- (VI) specify the time and procedure for voting online or by other means (if any);
- (VII) include other information provided by laws, administrative regulations, departmental rules and securities regulatory rules of the place where the shares of the Company are listed.

The notice and supplementary notice of the shareholders' general meeting shall fully and completely disclose all the specific content of all proposals.

Article 57 Where the shareholders' general meeting proposes to discuss the election of Directors, the notice relating to the shareholders' general meeting shall fully disclose the detailed information of the candidates for Directors, which shall at least include the following:

- (I) whether there exist any circumstances that would disqualify such person from being nominated as a Director; and whether such person satisfies the qualification requirements for serving as a Director as prescribed by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association of the Company;
- (II) personal particulars such as educational background, work experience and part-time jobs, with specific disclosure of his/her positions held in shareholders of the Company, the actual controller and other entities, as well as his/her positions as director, supervisor or senior management member in other institutions during the most recent five years;
- (III) whether or not the candidate has any connected relationship with the Company or its controlling shareholders and actual controllers; whether such person has any connected relationship with shareholders holding more than 5% of the shares and their actual controllers; and whether such person has any connected relationship with other Directors and senior management members of the Company;
- (IV) the number of shares of the Company held by the candidate;
- (V) whether or not the candidate has been subject to penalties by the CSRC and other relevant authorities as well as disciplinary actions taken by any stock exchange; whether such person is under investigation by judicial authorities for suspected criminal offences or under investigation by the CSRC for suspected violations of laws or regulations, for which no definitive conclusion has yet been reached. If so, the convener shall disclose the details of the aforesaid circumstances relating to such candidate, the reasons for nominating such candidate, whether such circumstances would have any impact on the regulated operation and corporate governance of the listed company, and the measures to be adopted by the Company in response thereto.
- (VI) Whether such candidate has committed any dishonest or discredited conduct.

Each candidate for Director shall be proposed in a separate proposal.

Article 58 After issuance of the notice for shareholders' general meeting, the shareholders' general meeting shall not be postponed or cancelled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of delay or cancellation, the convener shall make an announcement and explain the reasons therefor in accordance with laws, regulations and the securities regulatory rules of the place where the Company's shares are listed. Where a shareholders' general meeting is postponed, the postponed date of the meeting shall be disclosed in the notice.

Where the convener is the Board or the Audit Committee, the Board or the Audit Committee shall convene a meeting to consider the cancellation of the shareholders' general meeting. Where the securities regulatory rules of the place where the Company's shares are listed contain special provisions regarding the procedures for postponement or cancellation of shareholders' general meetings, such provisions shall prevail to the extent not inconsistent with domestic regulatory requirements.

Where there is no change to the name or content of any proposal, and the convener subsequently intends to re-issue a notice of shareholders' general meeting to submit such proposal to a new shareholders' general meeting for consideration, such proposal shall not be required to be reconsidered by the Board or the Audit Committee, and may be directly submitted to the new shareholders' general meeting. However, the Board or the Audit Committee shall pass corresponding resolutions in respect of matters including the proposal to convene the new shareholders' general meeting and the submission of the relevant proposal to such shareholders' general meeting.

SECTION 6 CONVENING OF THE SHAREHOLDERS' GENERAL MEETING

Article 59 The Board and other conveners of the Company shall take necessary measures to ensure the normal order of the shareholders' general meeting. Measures shall be taken to stop acts that interfere with the shareholders' general meeting, provoke troubles and infringe the legitimate rights and interests of shareholders, and report to relevant authorities for investigation and punishment in a timely manner.

Article 60 All shareholders registered on the shareholding registration date or their proxies are entitled to attend and speak at the shareholders' general meeting, and exercise voting rights in accordance with the relevant laws, regulations and these Articles (unless an individual shareholder is required by the SEHK Listing Rules to abstain from voting on a particular matter).

Shareholders may attend a shareholders' general meeting in person, or may entrust other persons as their proxies to attend and vote on his/her behalf.

Article 61 The Company has the right to require individual shareholders attending the meeting in person to present their identity cards or other valid documents or proof of their identities as well as stock account cards; or to require the relevant persons entrusted by others to attend the meeting to present their valid identity cards and the power of attorney of the shareholders.

A corporate shareholder shall attend the meeting by its legal representative or a proxy appointed by the legal representative (except for a shareholder who is a recognised clearing house as defined by relevant ordinances of Hong Kong laws in force from time to time). The Company shall have the right to require the legal representative attending the meeting to present his/her identity card and valid certificate that can prove his/her qualification as a legal representative; if a proxy is appointed to attend the meeting, the Company shall have the right to require the proxy to present his/her identity card and a written power of attorney duly issued by the legal representative of the corporate shareholder.

A clearing house shall have the right to appoint one or more proxy(ies) or corporate representative(s) to attend shareholders' general meetings and creditors' meetings of the issuer and such proxy(ies) or corporate representative(s) shall have the same statutory rights as other shareholders, including the right to speak and vote.

Article 62 The power of attorney issued by a shareholder to appoint a proxy to attend a shareholders' general meeting shall contain the following:

- (I) the name of the appointer and the name of the proxy;
- (II) the nature and number of shares of the appointer represented by the proxy;
- (III) the right to vote;
- (IV) the instructions to vote for or against or abstain from voting on each matter to be considered at the shareholders' general meeting; where no specific voting instructions are given, the proxy form shall state whether the proxy is authorised to vote at his or her discretion;
- (V) the date and validity period of the power of attorney;
- (VI) signature (or seal) of the appointer. If the appointor is a legal person shareholder, it shall be affixed with the seal of the legal person or signed by a legally authorized person.

Article 63 Where the proxy form is signed by another person as authorized by the appointer, the power of attorney or other authorization document shall be notarized. The notarized power of attorney or other authorization document shall be placed together with the proxy form appointing the voting proxy at the domicile of the Company or at such other place as specified in the notice of the meeting.

Where the said shareholder is a recognized clearing house (or its agent) as defined in the relevant ordinance enacted from time to time in Hong Kong, the shareholder may authorize one or more person(s) as it thinks fit to act as its representative(s) at any shareholders' general meeting provided that, if one or more person(s) is/are so authorized, the power of attorney shall clearly state the number and class of shares for which each person is so authorized and shall be signed by the authorized persons appointed by the recognized clearing house. The persons so authorized may represent the recognized clearing house (or its agent) to exercise the rights at any meeting (without being required to present a share certificate, notarized power of attorney and/or further evidence of due authorization), as if such person were an individual shareholder of the Company.

Article 64 Any proxy form issued to a shareholder by the Board of the Company for the purpose of appointing a proxy of the shareholder shall be in such form which enables the shareholder, according to his/her free will, to instruct his/her proxy to vote in favour of or against the resolutions proposed and in respect of each individual matter to be voted on at the meeting. Such a proxy form shall contain a statement that in the absence of instructions by the shareholder, his/her proxy may vote as he/she thinks fit.

Article 65 The attendance records of the meeting shall be prepared by the Company.

Article 66 The convener shall jointly verify the validity of the shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing institution, and shall register the names of the shareholders and the number of their voting shares held. The registration for the meeting shall be completed before the chairman of the meeting announces the total number of voting shares held by shareholders and proxies attending the meeting on-site.

Article 67 When a shareholders' general meeting requires a director or senior management to be present at the meeting, the director or senior management shall do so and shall answer the shareholders' inquiries.

Article 68 A shareholders' general meeting shall be presided over by the chairman of the Board of Directors. Where the chairman of the Board of Directors is unable or fails to fulfill the duties thereof, a Director elected by no less than half of the Directors shall preside over the meeting.

A shareholders' general meeting convened by the Audit Committee itself shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is unable or fails to fulfill the duties thereof, a member of the Audit Committee elected by no less than half of the members of the Audit Committee shall chair the meeting.

A shareholders' general meeting convened by the shareholders themselves shall be chaired by the convener or a representative elected by the convening shareholders.

Where a shareholders' general meeting is held and the chairman of the meeting violates the rules of procedure which makes it difficult for the shareholders' general meeting to continue, a person may be elected at the shareholders' general meeting to act as the chairman and preside over the meeting so as to carry on with the shareholders' general meeting, subject to the approval of no less than half of the attending shareholders having the voting rights.

Article 69 The Company shall formulate rules of procedure for the shareholders' general meeting to specify in detail the convening and voting procedures of the shareholders' general meeting, including the notices, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, meeting minutes and signing thereof and announcement, as well as the principle of authorization by the shareholders' general meeting to the Board. The contents of authorization shall be clear and specific. The rules of procedure of the shareholders' general meeting shall be formulated by the Board and approved by the shareholders' general meeting.

Article 70 At the annual general meeting, the Board shall report their work for the past year to the shareholders' general meeting.

Article 71 The presider of the meeting shall, prior to voting, announce the total number of voting shares held by the shareholders and their proxies attending the meeting on-site. The total number of voting shares held by the shareholders and their proxies attending the meeting on-site shall be subject to the registration of the meeting.

Article 72 Minutes of the shareholders' general meetings shall be recorded by the secretary to the Board.

Article 73 The minutes shall contain the following:

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

Article 74 The convener shall ensure that the minutes are true, accurate and complete. The attending or present Directors, secretary to the Board, convener or his/her representative and the chairman of the meeting shall sign the minutes of the meeting. The minutes of the meeting shall be kept together with the signature book of the attending shareholders, the power of attorney of the proxies and the valid information of voting via Internet or by other means for a period of not less than 10 years.

Article 75 The convener shall ensure that the shareholders' general meeting is held continuously until a final resolution is reached. If the shareholders' 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 shareholders' general meeting as soon as possible or terminate the shareholders' general meeting directly, and an announcement shall be made in a timely manner (if needed).

SECTION 7 VOTING AND RESOLUTIONS OF THE SHAREHOLDERS' GENERAL MEETING

Article 76 The resolutions of the shareholders' general meeting shall be classified as ordinary resolutions and special resolutions.

Ordinary resolutions at a shareholders' general meeting shall be passed by no less than one half of the voting shares held by shareholders (including their proxies) attending the meeting.

Special resolutions at a shareholders' general meeting shall be passed by no less than two-thirds of the voting rights held by shareholders (including their proxies) attending the shareholders' general meeting.

Article 77 The following matters shall be approved by ordinary resolutions at a shareholders' general meeting:

- (I) work reports of the Board;
- (II) profit distribution plans and loss recovery plans formulated by the Board;
- (III) appointment and dismissal of the members of the Board of Directors (excluding employee representative shareholders), their remunerations and the method of payment thereof;
- (IV) matters other than those stipulated by laws, administrative regulations or these Articles to be approved by special resolutions.

Article 78 The following matters shall be approved by special resolutions at a shareholders' general meeting:

- (I) increase or reduction of registered share capital of the Company;
- (II) division, merger, dissolution and liquidation of the Company;
- (III) amendments to these Articles;
- (IV) the major assets purchased or sold by the Company or the guaranteed amount to others within one year reaching or exceeding 30% of the latest period's audited total assets;

- (V) share incentive scheme;
- (VI) where the Company acquires its own shares in accordance with the circumstances set out in clauses (I) to (II) of paragraph 1 of Article 22 of these Articles;
- (VII) any other matter specified in the laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed or these Articles, and confirmed by an ordinary resolution at a shareholders' general meeting that it may have a material impact on the Company and accordingly shall be approved by special resolutions.

Article 79 Shareholders (including proxies thereof) who vote at a shareholders' general meeting shall exercise their voting rights in proportion to the amount of voting shares they represent. Each share carries the right to one vote. When a poll is taken, the shareholders (including proxies thereof) who have the right to two or more votes need not cast all his/her votes in the same way.

The Company has no voting right for the shares it holds, and such part of shares shall be excluded from the total number of voting shares represented by the shareholders attending the shareholders' general meeting.

Where any shareholder is required to waive his/her voting rights or is restricted to cast only affirmative or dissenting votes on a certain issue in accordance with applicable laws and regulations and the SEHK Listing Rules, any vote cast by the said shareholder or the proxy thereof in violation of the relevant provisions or restrictions shall not be counted into the voting results.

Article 80 When a connected transaction is considered at a shareholders' general meeting, the connected shareholders shall not vote, and the number of voting shares represented by them shall not be counted in the total number of valid votes. The resolutions of the shareholders' general meeting shall fully disclose the voting of non-connected shareholders.

When a shareholders' general meeting deliberates on the connected transaction matter, the connected shareholder shall actively state the situation to the shareholders' general meeting and explicitly indicate that he/she will abstain from voting. In case such connected shareholder fails to actively state the connected relation, the chairman of the meeting or other shareholders may request him/her to state the situation and abstain from voting. If a connected shareholder fails to state the circumstances or abstain from voting, his/her shares shall not be counted towards the total number of valid voting shares in respect of voting on connected transactions.

If, after the conclusion of the shareholders' general meeting, other shareholders discover that a connected shareholder has participated in the voting on matters relating to connected transactions, or if the shareholders have any disagreement as to whether or not abstention should be applied, they shall have the right to file a lawsuit with the People's Court in respect of the relevant resolution in accordance with the provisions of these Articles.

If a connected shareholder expressly abstains from voting, other shareholders present at the shareholders' general meeting shall consider and vote on the relevant connected transaction, and the voting results shall have the same legal effect as other resolutions passed at the shareholders' general meeting.

A resolution on a connected transaction shall be passed by a majority of the number of shares with voting rights of the non-connected shareholders who are present at the shareholders' general meeting. However, in case of the connected transaction that involves matters specified in Article 78 of these Articles, such resolution at a shareholders' general meeting shall be passed by more than two-thirds of the voting rights held by non-connected shareholders attending the shareholders' general meeting.

Article 81 The shareholders' general meeting shall vote on all proposals one by one. If there are different proposals for the same matter, voting shall be proceeded in the chronological order of the proposals being put forward. Other than special reasons such as force majeure that results in the interruption of the meeting or makes it impossible to come to a resolution, the shareholders' general meeting shall not set aside any proposal and shall vote on them.

Article 82 No amendment shall be made to the proposals when the shareholders' general meeting is examining the proposals, if any amendment is made, it shall be deemed a new proposal, which may not be voted on this shareholders' general meeting.

Article 83 Voting at a shareholders' general meeting shall be taken by open ballot or other means as required by the SEHK Listing Rules.

Article 84 A voting right shall be exercised only by one voting method including on-the-spot voting. If a voting right is exercised repeatedly, only the first exercise of the voting right is recognized.

Article 85 Before the relevant proposal is voted on at the shareholders' general meeting, two representatives shall be elected to take part in counting the votes and scrutinizing the voting. Any representative who has related relationship with the matter under consideration and his/her proxy shall not take part in counting and scrutinizing the voting.

There shall be representatives mentioned above to count and scrutinize the voting jointly when proposals are voted on at a shareholders' general meeting. The results shall be declared at the meeting and recorded in the minutes of the meeting.

Article 86 Shareholders who attend the shareholders' general meeting shall take one of the following stances when a proposal is put forward for voting: for, against or abstention. Any unfilled, improperly filled or poorly handwritten votes or votes that are not cast shall be considered as abstentions from voting by the shareholders. Its respective shares shall be counted as "abstentions" in the voting results.

Article 87 The resolutions of the shareholders' general meeting shall be announced according to the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed in a timely manner. The announcement shall specify the total number of voting shares held by the attending shareholders and their proxies and the percentage of the total number of voting shares of the Company, the voting methods, the voting results of each proposal and the details of each resolution passed.

Article 88 Where a proposal has not been passed or the resolutions of the preceding shareholders' general meeting have been changed at the current shareholders' general meeting, special mention shall be made in the announcement of the resolutions of the shareholders' general meeting in accordance with the relevant laws, administrative regulations and securities regulatory rules for the place where the Company's shares are listed.

Article 89 If a proposal for the election of directors is adopted at a shareholders' general meeting, the new directors shall take office on the date when the resolution of the shareholders' general meeting becomes effective.

CHAPTER 5 BOARD OF DIRECTORS

SECTION 1 DIRECTORS

Article 90 Directors of the Company shall be natural persons. A person shall not serve as a Director if:

- (I) he/she has no capacity or has limited capacity for civil conduct;
- (II) he/she has been sentenced to any criminal penalty due to an offence of corruption, bribery, encroachment of property, misappropriation of property or disrupting the economic order of the socialist market; or he/she has ever been deprived of his/her political rights due to any crime and 5 years have not elapsed since the completion date of the execution of the penalty; or in case of a suspended sentence, not more than two years have elapsed since the date of expiration of the probationary period;
- (III) he/she was the Director, factory manager or manager of a company or enterprise which had been bankrupted and liquidated, and was personally liable for the bankruptcy of the company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise;
- (IV) he/she was the legal representative of a company or enterprise which had its business license revoked and was ordered to close down due to illegal activities and was personally liable for such illegal activities, where less than three years have elapsed since the date when the business license of the company or enterprise was revoked or was ordered to close down;
- (V) he/she has a relatively large amount of overdue debt and are listed as dishonest judgment debtor by a people's court;
- (VI) a person who has been barred from the securities market by the CSRC for a certain period of time and such period has not expired yet;;
- (VII) a person who has been publicly identified by a stock exchange as unsuitable to serve as a director, senior management, etc., of a listed company and such period has not expired yet;
- (VIII) other circumstances as stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or relevant regulatory authorities.

For any election and appointment of a director in contravention of the provisions prescribed by this article, such election, appointment or employment shall be void and null. Where a Director falls into any of the circumstances stipulated in this article in his/her term of office, the Director shall be removed from office.

Article 91 Directors shall be elected or replaced at shareholders' general meetings, and can be removed from their office prior to the expiry of their term at the shareholders' general meeting by an ordinary resolution. Directors' term shall be three years. At the expiry of such term of office, the term is renewable upon re-election.

The term of a Director shall start from the date on which the said Director assumes office until the expiry of the term of the prevailing session of the Board. If the term of office of a Director has expired but re-election is not timely made, or a Director has resigned within his/her term of office, resulting in the number of members of the Board falling short of the quorum, such Director shall continue to perform his/her duties as Director pursuant to laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and these Articles until a newly elected Director takes office.

A Director may serve concurrently as the general manager or other senior management, but the Directors serving concurrently as such and the Directors being employees' representatives shall not be more than half of the Directors of the Company.

The Company shall have one employee representing Director . The employee representative Director shall be democratically elected and removed by the employees of the Company through the employee representatives' congress, employees' meeting or other forms, and shall not be subject to consideration by the shareholders' general meeting.

Article 92 Directors shall abide by the laws, administrative regulations and these Articles, and shall fulfil the following obligations of honesty to the Company:

- (I) shall not abuse his/her position to accept bribes or other illegal income or misappropriate the properties of the Company;
- (II) shall not misappropriate the funds of the Company;
- (III) shall not set up accounts in his/her own name or in the name of any other person for the purpose of depositing any of the assets or funds of the Company;
- (IV) shall not lend funds of the Company to any other person or use the property of the Company to provide guarantee for any other person without the consent of the shareholders' general meeting or the Board of Directors in contravention of the provisions of these Articles;
- (V) shall not enter into contracts or carry out transactions with the Company in contravention of the provisions of these Articles or without the consent of the shareholders' general meeting;

- (VI) shall not abuse his/her position to seize business opportunities for himself/herself or for other persons which should otherwise belong to the Company, or operate a business similar to that of the Company for himself/herself or for other persons without the consent of the shareholders' general meeting;
- (VII) shall not accept commissions paid by others for transactions conducted with the Company as their own benefits;
- (VIII) shall not disclose confidential information of the Company without permission;
- (IX) shall not abuse his/her connected relationship with the Company to jeopardize the interests of the Company;
- (X) other obligations of honesty as required by the laws, administrative regulations, departmental rules and these Articles.

Any income derived by a Director in violation of the provisions of this article shall belong to the Company. The Director shall be liable to indemnify the Company against any loss incurred.

The provisions of the preceding paragraph of this Article shall also apply where contracts are entered into or transactions are conducted with the Company by the close relatives of Directors or senior management members, enterprises directly or indirectly controlled by Directors, senior management members or their close relatives, and other connected persons having other connected relationships with Directors or senior management members.

Article 93 Directors shall comply with the laws, administrative regulations and these Articles, and shall bear the following obligations of diligence to the Company:

- (I) shall exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the State's laws, administrative regulations and requirements of the State's economic policies, not exceeding the scope of business specified in the Company's business license;
- (II) that all shareholders shall be treated impartially;
- (III) master the operation and management conditions of the Company in due time;
- (IV) sign the written confirmation opinions for the regular reports of the Company, to ensure that the information disclosed by the Company is true, accurate and complete;

(V) they shall honestly provide the Audit Committee with relevant information, and not to interfere with the Audit Committee in performing their duties and powers;

(VI) they fulfil other due diligence obligations as stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 94 Directors shall, in principle, attend Board meetings in person; however, a Director who participates in a meeting by means recognised in these Articles, such as video conferencing, telephone, fax or email, shall be deemed to have attended in person. If any Director fails to attend Board meetings in person or by proxy for two consecutive times, the said Director shall be deemed incapable of performing his/her duties, and the Board shall suggest that the shareholders' general meeting dismiss the said Director.

Article 95 A Director may resign before the expiration of his term of office. The resigning Director shall submit a written resignation to the Board of Directors.

In the event that the resignation of any Director results in the number of members of the Board of Directors to be less than the statutory minimum requirement, the said Director shall continue to perform duties as Director pursuant to the laws, administrative regulations, departmental rules and these Articles until a new Director is elected and assumes his/her office.

Save for the circumstances set out in the preceding paragraph, the resignation of a Director shall become effective upon submission of his resignation to the Board of Directors.

Subject to the relevant laws and regulations, and the regulatory rules of the place where the Company's shares are listed, any person appointed by the Board of Directors to fill a casual vacancy on the Board of Directors or as an addition to the Board of Directors shall hold office only until the first annual general meeting after his/her appointment and shall then be eligible for reelection.

Article 96 If the resignation of a Director takes effect or his/her term of office expires, the said Director shall go through all handover formalities with the Board of Directors. His/her obligations of honesty to the Company shall not terminate automatically at the expiry of his/her term and shall still be valid within the reasonable period specified in these Articles.

Article 97 The Company shall have independent non-executive Directors. Independent non-executive directors shall 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. Independent non-executive Directors shall perform their duties in accordance with the relevant provisions of laws, administrative regulations, the CSRC and the stock exchange of the place where the Company's shares are listed. Independent non-executive Directors shall, in accordance with the law, perform the obligations of Directors, fully understand the operation and management of the Company and the matters to be considered by the Board, and safeguard the overall interests of the Company. Where conflicts arise among shareholders of the Company or among Directors that have a material impact on the operation and management of the Company, the independent non-executive Directors shall proactively perform their duties to safeguard the overall interests of the Company. Independent non-executive Directors shall perform their duties independently and shall not be affected by the Company's substantial shareholders, actual controller, or other entities or individuals having an interest relationship with the Company. If at any time the independent non-executive Directors of the Company fail to satisfy the requirements prescribed under the regulatory rules of the place where the Company's shares are listed, the Company shall make an announcement and rectify the situation in accordance with the requirements of the regulatory authorities or regulatory rules of the place where the Company's shares are listed.

Article 98 If any Director leaves his/her office without authorization or violates the laws, administrative regulations, departmental rules or these Articles in fulfilling his/her duties before his/her term of office expires, thereby incurring any loss to the Company, the said Director shall be liable for compensation.

The shareholders' general meeting may remove any director by a resolution, which shall come into effect from the date on which such resolution is made. Where a director is removed from office prior to expiration of his/her term of office without justifiable cause, the director may demand compensation from the Company.

Article 99 Save as specified in these Articles or duly authorized by the Board, no Director shall act on behalf of the Company or the Board in his/her own name. If a Director acts in his/her own name but a third party may reasonably think the said Director is acting on behalf of the Company or the Board, the said Director shall make a prior statement of his/her standpoint and capacity.

SECTION 2 BOARD OF DIRECTORS

Article 100 The Company shall have a Board of Directors, which shall be accountable to the shareholders' general meeting.

Article 101 The Board of Directors shall comprise 11 Directors. The Board shall have one chairman. The number of independent non-executive Directors, at any time, shall not be less than three and represent no less than one-third of members of the Board, and at least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise.

Article 102 The Board shall exercise the following functions and powers:

- (I) to convene the shareholders' general meeting, and report its work to the shareholders' general meeting;
- (II) to implement the resolutions passed at the shareholders' general meeting;
- (III) to determine the business plans and investment plans of the Company;
- (IV) to prepare the plans for profit distribution and plans for making up losses of the Company;
- (V) to formulate plans in respect of any increase or reduction of the Company's registered capital and the plans for the issue of corporate bonds or other securities, and for listing;
- (VI) to formulate plans for material acquisition, repurchase of the Company's shares, or merger, division, dissolution, and change of corporate form of the Company;
- (VII) matters such as external investments, acquisitions and disposals of assets, asset mortgages, external guarantees, consigned financial management, connected (related) transactions, and external donations and gifts approved by the shareholders' general meeting shall be submitted only after being deliberated and approved by the Board of Directors;
- (VIII) to determine the establishment of the internal management structure of the Company;
- (IX) to determine the establishment of special committees of the Board of Directors and to consider and approve the proposals proposed by each special committee of the Board of Directors;

- (X) to determine the appointment or dismissal of the general manager, the secretary to the Board of the Company and other senior management, and determine their remunerations, rewards and punishments; and according to the nomination by the general manager, to determine the appointment or dismissal of other senior management such as the deputy general manager and the chief financial officer of the Company, and determine their remunerations, rewards and punishments;
- (XI) to establish the basic management system of the Company;
- (XII) to draw up proposals for the amendment to these Articles;
- (XIII) to manage the matters of information disclosure of the Company;
- (XIV) to propose at the shareholders' general meetings the appointment or changes of accounting firm;
- (XV) to be informed of working reports of the senior management of the Company and to examine the work of the senior management of the Company;
- (XVI) to consider and approve any notifiable transaction under Chapter 14 of the SEHK Listing Rules and any connected transaction under Chapter 14A of the SEHK Listing Rules;
- (XVII) to exercise other functions and powers conferred by the laws, administrative regulations, department rules, securities regulatory rules of the place where the Company's shares are listed or these Articles.

Matters beyond the authorization of the shareholders' general meeting shall be submitted at the shareholders' general meeting for deliberation.

Article 103 The Board of Directors of the Company should provide an explanation to the shareholders' general meeting according to the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed in respect of any non-standard audit opinions issued by the certified public accountant on the financial statements of the Company.

Article 104 The Board of Directors shall formulate the rules of procedures for meetings of the Board of Directors to ensure implementation of the resolutions of the shareholders' general meeting, improve the efficiency of work and ensure scientific decision-making. The rules of procedures of the Board shall serve as an annex to these Articles and shall be drafted by the Board and approved by the shareholders' general meeting.

Article 105 The chairman shall be elected or removed by more than half of all the directors of the Board.

Article 106 The chairman of the Board shall exercise the following functions and powers:

- (I) to preside over shareholders' general meetings and to convene and preside over Board meetings;
- (II) to examine the implementation of the resolutions of the Board;
- (III) to exercise other functions and powers specified in laws, administrative regulations, departmental rules, these Articles or granted by the Board resolutions.

Where the chairman is unable to or fails to perform his/her duty, no less than half of the Directors shall jointly elect a Director to fulfil the said duty.

Article 107 The Board shall hold at least 4 regular meetings a year and any such meeting shall be convened by the chairman. Written notice shall be given to all Directors at least 14 days before the meeting is held.

In any of the following circumstances, the chairman shall convene an extraordinary Board meeting within 10 days after receipt of the proposal:

- (I) proposed by shareholders representing no less than one-tenth of the voting rights;
- (II) proposed by no less than one third of the Directors jointly;
- (III) proposed by the Audit Committee.

Article 108 A notice of a Board meeting shall be sent to all the Directors 14 days in advance in the event of a regular meeting or 5 days in advance in the event of an extraordinary general meeting. The responsible department of the Company shall send a written meeting notice of the meeting to all the Directors by direct delivery, fax, mail, express mail or other electronic communication means. If the notice is sent indirectly, confirmation shall be made by telephone and the appropriate record thereof shall be made.

Where an extraordinary Board meeting needs to be convened in emergency, the notice of meeting may be sent by telephone or by other verbal means at any time, but the convener shall make explanations at the meeting.

Article 109 The notice of the meeting of the Board shall consist of the following:

- (I) date and venue of the meeting;
- (II) period of the meeting;
- (III) causes and issues of discussion;
- (IV) date of issuance of notice;
- (V) other essential contents as stipulated by the laws, regulations and securities regulatory rules of the place(s) where the Company's shares are listed.

Article 110 Notice of meeting shall be deemed to have been sent to any Director who attends the meeting without raising any objection before or during the meeting that he/she has not received the notice of meeting.

Upon approval by the convener or chairman, a regular Board meeting or an extraordinary Board meeting may be convened and resolutions may be adopted at the meeting via video, telephone or written communication, provided that directors are able to fully express their opinions, and the resolution adopted at the meeting shall be signed by the attending directors. Board meetings may also be convened on site and by other means simultaneously. So long as the directors attending the meeting in person can clearly hear what he or she says and communicate with him or her, all the directors in attendance shall be deemed to have attended the meeting in person.

Article 111 A Board meeting shall be held upon the attendance of more than half of Directors.

Unless under exceptional circumstances specified in the regulatory rules of the place where the shares of the Company are listed or otherwise permitted by the Hong Kong Stock Exchange, a Director shall not vote on any resolution of the Board which approves any contract or arrangement or any other relevant proposals where he/she or his/her close associates (as defined in the SEHK Listing Rules as applicable from time to time) own a material interest; and shall not be included for determining whether there is a quorum for the meeting.

Every Director shall have the right to one vote. Save as otherwise specified in laws, administrative regulations or these Articles, resolutions made by the Board shall be passed by more than half of all Directors.

If any Director is connected with the enterprises that are involved in the matters to be resolved by the Board meetings, he/she shall not exercise his/her voting rights for such matters, nor exercise voting rights on behalf of other Directors. Such Board meetings may not be held unless attended by more than half of all the non-connected Directors, and resolutions at such meetings shall be passed by more than half of all non-connected Directors. Where the number of non-connected Directors attending the Board meetings is less than 3, the matters shall be submitted to the shareholders' general meeting for deliberation.

Article 112 Resolutions of the Board meetings shall be voted by way of open ballot or other voting method as permitted by the laws and regulations and the regulatory rules at the place where the shares of the Company are listed.

Article 113 Directors shall attend Board meetings in person. Where any Director cannot attend the meetings for any reason, he/she may authorize in writing another Director to attend the meetings on his/her behalf, with the power of attorney shall state the name of the proxy, the matters represented, scope of authorization and validity period, and shall be signed or sealed by the principal.

The Director attending the meetings on behalf of another Director shall exercise rights within the scope of authorization. Where a Director is not present at a Board meeting and fails to appoint a proxy to act on his/her behalf, the said Director is deemed to have waived his/her rights to vote at the meeting.

Article 114 The Board may adopt a written proposal in lieu of Board meeting, but the draft of the said proposal shall be sent to every Director by direct delivery, mail, fax or e-mail. If the proposal has been sent to all the Directors by the Board, the number of the Directors who have signed the proposal satisfies the statutory quorum, and such signed proposal has been sent to the secretary to the Board by the aforesaid means, the said proposal shall be deemed to be a resolution of the Board and have the same legal effect as a resolution passed at a Board meeting held in accordance with the procedures specified in relevant provisions of these Articles.

Article 115 The Board shall file resolutions of the meeting as minutes, which shall be signed by the attending Directors and the minutes recorder.

The minutes of Board meetings shall be kept as company files for a period of not less than 10 years.

Article 116 The minutes of Board meetings shall consist of the following:

- (I) the meeting session, and the date, venue and method for the convening of meeting;
- (II) the issue of the notice of the meeting;
- (III) the convener and the chairman of the meeting;
- (IV) the name of the Director present and the name of Director (proxy) being appointed to attend on the other's behalf;
- (V) the agenda of the meeting;
- (VI) the main points of the statements of Directors (if any);
- (VII) the voting method and result for each resolution (the voting results shall clearly state the number of votes for or against the resolution or abstention);
- (VIII) other matters required to be included in the meeting minutes by the Directors present.

The Directors shall be responsible for the resolutions passed at Board meetings. Any Director who votes for a resolution of the Board which runs counter to the laws, administrative regulations or these Articles, thereby causing serious losses to the Company, shall be liable for compensation to the Company; however, a Director who has been proved as having expressed dissenting opinions on the resolution and such opinions are recorded in the minutes of the meeting can be exempt from liability.

SECTION 3 INDEPENDENT NON-EXECUTIVE DIRECTORS

Article 117 Independent non-executive Directors shall, in accordance with the provisions of laws, administrative regulations, the CSRC, the stock exchange and these Articles, diligently perform their duties, play their roles in participation in decision-making, supervision and checks and balances, and professional consultation within the Board, safeguard the overall interests of the Company, and protect the lawful rights and interests of minority shareholders.

Article 118 A person serving as an independent non-executive Director of the Company shall satisfy the following conditions:

- (I) to have the qualification of acting as a Director of a listed company according to the laws, administrative regulations and other relevant requirements;
- (II) meet the independence requirements set out under the listing rules of the stock exchange of the place where the Company's shares are listed and these Articles;
- (III) to have the basic understanding of operation of listed company and be familiar with the relevant laws, regulations and rules;
- (IV) to possess five or more years of experience in law, accounting, economics or other areas which are necessary for performing the duties as an Independent Director;
- (V) to have good personal integrity and has no major dishonest acts or other bad records;
- (VI) other conditions as required by laws, administrative regulations, rules of the CSRC, business rules of the stock exchange, and these Articles.

Article 119 As members of the Board, independent non-executive Directors owe duties of loyalty and diligence to the Company and all shareholders, and shall prudently perform the following duties:

- (I) Participating in the decision-making of the Board and express explicit opinions on the matters deliberated;
- (II) Supervising potential material conflicts of interests between the Company and its controlling shareholders, actual controllers, Directors and senior management, protecting the legitimate rights and interests of minority shareholders;
- (III) Providing professional and objective advice on the operation and development of the Company and promoting the improvement of the decision-making level of the Board;
- (IV) Performing other duties prescribed by laws, administrative regulations, rules of the CSRC, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 120 All matters not prescribed in this section for the independent non-executive director system shall be subject to relevant laws, administrative regulations, rules from regulatory authorities and listing rules of the stock exchange where the Company's shares are listed.

Article 121 The Company shall provide appropriate allowances to independent non-executive Directors. The standards for such allowances shall be considered and determined by the shareholders' general meeting.

Article 122 Unless otherwise provided by laws, administrative regulations and these Articles, the provisions in Section 1 above of this Chapter relating to Directors shall apply to independent non-executive Directors.

SECTION 4 SPECIAL COMMITTEES UNDER THE BOARD

Article 123 The Board has established four special committees, i.e. the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee, whose composition and rules of procedures are resolved separately by the Board. The Board may establish other special committees as necessary. These special committees are ad hoc committees under the Board which provide advice or advisory opinions for the Board on material decisions. The special committees shall not make any decision in the name of the Board. However, the committees may exercise decision-making power in respect of the authorized matters in accordance with a special authorization given by the Board.

Article 124 The special committees may engage intermediary organizations to provide independent professional advice, and the relevant expenses therefor shall be borne by the Company.

Article 125 The Board shall establish an Audit Committee to exercise the powers and functions of the supervisory committee and the Audit Committee as prescribed under the Company Law, the securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 126 The Audit Committee shall comprise at least three members, who shall be non-executive Directors or independent non-executive Directors, with independent non-executive Directors constituting the majority. The convener (chairman) of the Audit Committee shall be an independent non-executive Director possessing professional accounting qualifications.

Article 127 The audit committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external auditing work and internal control. The following matters shall be submitted to the board of directors for deliberation upon the approval of more than half of all members of the audit committee:

- (I) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (II) employment or dismissal of accounting firms undertaking audits of listed companies;
- (III) appointment or dismissal of the head of finance of a listed company;
- (IV) changes in accounting policies and estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (V) other matters as prescribed by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 128 The Audit Committee meets at least twice a year. An extraordinary general meeting may be convened upon the proposal of two or more members, or when the convenor deems it necessary. Meetings of the Audit Committee may only be held if more than two-thirds of the members are present.

Article 129 Resolutions of the Audit Committee shall be passed by more than half of members of Audit Committee. When voting on a resolution of the Audit Committee, every member shall have one vote. Resolutions of the Audit Committee shall be recorded in meeting minutes in accordance with relevant regulations, and the members of the Audit Committee attending the meeting shall sign the meeting minutes. The working procedures of the Audit Committee shall be formulated by the Board.

CHAPTER 6 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT

Article 130 The Company shall have one general manager and several deputy general managers, who shall be appointed or dismissed by the Board. A Director may serve concurrently as a senior management.

Article 131 The general manager shall serve a term of 3 years, and shall be eligible for re-election and re-appointment upon expiry of his/her term.

Article 132 The general manager shall be accountable to the Board and exercise the following functions and powers:

- (I) to be in charge of the Company's production, operation and management, to organize and implement the resolutions of the Board and to report his/her work to the Board;
- (II) to organize and implement the Company's annual plan and investment plans;
- (III) to prepare a plan for establishing internal governing bodies of the Company;
- (IV) to draft the Company's basic management system;
- (V) to formulate fundamental rules and regulations for the Company;
- (VI) to propose to the Board to appoint or dismiss the other senior management of the Company in accordance with these Articles and the relevant internal control system of the Company;
- (VII) to decide to appoint or dismiss persons in charge of management and general employees other than those appointed or dismissed by the Board according to these Articles and the Company's relevant internal control system;

- (VIII) to propose to convene an extraordinary Board meeting;
- (IX) to decide on the Company's other issues within the scope authorized by the Board;
- (X) to decide on matters such as external investments, acquisitions and disposals of assets, asset mortgages, external guarantees, consigned financial management, connected transactions, and external donations and gifts which do not need to be decided by the Board or the shareholders' general meeting;
- (XI) to exercise other functions and powers as conferred by these Articles and the Board.

Senior management other than the general manager shall assist the general manager in his/her work, and may exercise part of the functions and powers of the general manager entrusted by him/her.

Article 133 The general manager shall be present at Board meetings, and if he/she is not a Director, shall not have any voting right at Board meetings.

Article 134 In the exercise of their functions and powers, the general manager and other senior management shall fulfil the obligation of honesty and diligence in accordance with laws, administrative regulations and these Articles. They shall be liable for any losses incurred as a result of violating the provisions of laws, regulations and these Articles when they perform their duties.

Article 135 The Company shall have one Board secretary. The Board secretary shall be a senior management member of the Company.

The Board secretary shall be responsible for the preparation of shareholders' general meetings and Board meetings of the Company, custody of documents, management of shareholder information of the Company, handling information disclosure matters and other related affairs.

The Board secretary shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 136 The circumstances set out in Article 90 of the Articles disqualifying a person as Director shall also apply to senior management.

The provisions on Directors' obligations of honesty under these Article and provisions on Directors' obligations of diligence shall also apply to senior management.

Article 137 Staff of the controlling shareholder of the Company who serve administrative positions other than directors shall not serve as senior management of the Company. The senior management members of the Company shall only be entitled to the salaries paid by the Company. The controlling shareholders shall not pay the salaries on behalf of the Company.

Article 138 Senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If any senior management member of the Company causes damage to the interests of the Company and its public shareholders due to failure in faithfully performing his/her duties or violation of his/her obligations of honesty, the said senior management member shall be liable to compensate the Company.

CHAPTER 7 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

SECTION 1 FINANCIAL AND ACCOUNTING SYSTEM

Article 139 The Company shall formulate its financial and accounting system in accordance with the laws, administrative regulations and the provisions stipulated by the relevant PRC authorities.

Article 140 The Company shall prepare, file, disclose and/or submit to shareholders its annual reports, interim reports etc., in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Article 141 The Company shall not set up other account books except for the statutory account books. No assets of the Company may be deposited into any individual's account.

SECTION 2 PROFIT DISTRIBUTION

Article 142 In distributing the current year's profits after tax, 10% of the profits shall be allocated to the Company's statutory reserve fund. When the aggregate amount of the statutory reserve fund has reached no less than 50% of the Company's registered capital, further appropriations are not required.

If the statutory reserve fund of the Company is insufficient to make up the losses of the previous year, the profits of the current year shall be used to make up such losses before allocating to the statutory reserve fund in accordance with the preceding paragraph.

After allocation of its profits after tax to its statutory reserve fund, the Company may allocate its profits after tax to its discretionary reserve fund upon a resolution of the shareholders' general meeting.

The remaining profits after tax after the Company has made up its losses and allocated to its reserve fund may be distributed to its shareholders in proportion to their shareholdings unless it is stipulated in these Articles that no profit distribution shall be made in accordance with shareholdings.

If a shareholders' general meeting or the Board has, in violation of the preceding paragraph, distributed profits to shareholders before making up losses and allocating to the statutory reserve fund, shareholders shall return to the Company the profits distributed in violation of the provisions.

No profits shall be distributed in respect of the Company's shares held by the Company. The Company shall entrust one or more payment receiving agents in Hong Kong for holders of H Shares. The payment receiving agents shall receive and hold, on behalf of such holders of H Shares, any dividends allocated to H Shares and other amount payable by the Company, for future payments to such shareholders of H Shares. The payment receiving agents appointed by the Company shall comply with laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 143 The reserve funds of the Company shall be used for making up losses, expansion of the Company's production and operation and increasing the registered capital of the Company. If the Company's losses are to be made up by provident funds, the Company first applies any provident fund and the statutory provident funds; if the losses still cannot be made up, the Company may apply the capital provident fund in accordance with the provisions.

When the statutory common reserve fund is converted to share capital, the balance of the statutory common reserve fund may not fall below 25% of the registered capital before the conversion.

Article 144 Any amount paid up in advance of calls on any share may carry interest but shall not entitle the relevant shareholder to participate in respect thereof in a dividend subsequently declared.

Article 145 The Board of the Company shall complete the distribution of dividends (or shares) within 2 months after convening a shareholders' general meeting on which resolution is made on the profit distribution plan.

SECTION 3 INTERNAL AUDIT

Article 146 The Company shall implement an internal audit system, which specifies the leadership system, duties and responsibilities, personnel allocation, financial security, use of audit results and accountability for internal audit.

The internal audit system of the Company shall be implemented upon approval by the Board and shall be disclosed to the public.

Article 147 The internal audit department of the Company shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters.

Article 148 The internal audit department shall be accountable to the Board.

In the course of supervising and inspecting the Company's business activities, risk management, internal control and financial information, the internal audit department shall be subject to the supervision and guidance of the audit committee. If the internal audit department discovers any significant issues or leads, it shall immediately report directly to the audit committee.

Article 149 The internal audit department shall be responsible for the specific organization and implementation of the internal control evaluation of the Company. The Company shall issue the annual internal control evaluation report based on the evaluation report and related information issued by the internal audit department and reviewed by the audit committee.

Article 150 When the Audit Committee communicates with external audit institutions such as accounting firms or national audit institutions, the internal audit department shall actively cooperate and provide necessary support and assistance.

Article 151 The Audit Committee shall participate in the performance appraisal of the head of the internal audit department.

SECTION 4 APPOINTMENT OF ACCOUNTING FIRMS

Article 152 The Company appoints an accounting firm which is qualified under the relevant provisions of the PRC and the regulatory rules of the place where the Company's shares are listed to audit the Company's annual financial reports, and provide services such as auditing of accounting statements, verification of net assets and other relevant consultation, for a term of one year and subject to renewal after expiration.

Article 153 The appointment or removal of an accounting firm by the Company shall be subject to the approval at the shareholders' general meeting through ordinary resolutions. The Board may not appoint an accounting firm before the approval of the shareholders' general meeting.

Article 154 The Company shall provide the hired accounting firm with true and complete accounting vouchers, account books, financial reports and other accounting information, and shall not reject, conceal or make false report of any information.

Article 155 The remuneration of an accounting firm or the method for determining such remuneration shall be decided by the shareholders' general meeting.

Article 156 If the Company proposes to remove the accounting firm or not to renew the appointment thereof, it should notify the accounting firm 15 days in advance, and when the dismissal of the accounting firm shall be voted at the shareholders' general meeting of the Company, the accounting firm has the right to state its opinions to the shareholders' general meeting. Where the accounting firm resigns from its office, it shall make clear to the shareholders' general meeting whether there is any impropriety on the part of the Company.

CHAPTER 8 NOTICES AND ANNOUNCEMENTS

Article 157 Notices of the Company shall be delivered by the following means:

- (I) by delivery in person;
- (II) by post;
- (III) by fax or email;
- (IV) by way of publishing information on websites designated by the Company and the Hong Kong Stock Exchange, subject to the laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed;

(V) by way of announcement;

(VI) by any other means as agreed by the Company and the addressee or as accepted by the addressee after the notice is received;

(VII) by any other means as approved by relevant regulatory authorities at the places where the Company's shares are listed or as specified in these Articles.

The Company's notices once delivered by public announcement is deemed to be received by all relevant persons. Where there are other requirements imposed by the securities regulatory rules of the place where the Company's shares are listed, such requirements shall prevail.

The notice of a shareholders' general meeting of the Company, or other information or other written documents to be issued to shareholders shall be served via means (including but not limited to email, announcement etc.) as permitted by laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed.

Article 158 If the notice is delivered by hand, the date of service is the date of acknowledgement of receipt by signature or affixed seal on the service return slip. If the notice is delivered by post, it shall be deemed to be received after 48 hours from the date upon which the post office receives the notice. If the notice is delivered by way of fax or email or by way of publishing information on websites, it shall be deemed to be received on the date it is sent or published. If the notice is delivered by way of announcement, it shall be deemed to be received on the date on which the announcement is first published.

Article 159 In the event that the listing rules of stock exchange of at the place where the Company's shares are listed stipulate that the Company shall send, post, distribute, issue, announce or otherwise provide relevant documents of the Company in English and Chinese, and if the Company has made appropriate arrangement to confirm whether the shareholders intend to receive either the English or the Chinese version, the Company may only send the English version or the Chinese version to the shareholders concerned, as per the intent stated by them, to the extent permitted by these Articles of Association, applicable laws and regulations, and pursuant to applicable laws and regulations.

Article 160 The accidental omission to give a notice of a meeting to, or non receipt of a notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and any resolution adopted at the meeting.

Article 161 The Company shall make announcements and disclose other information required to be disclosed through the qualified media and the HKEXnews website (www.hkexnews.hk). If the information disclosure matters involve state secrets or trade secrets, they shall be handled in accordance with relevant regulations. Directors and members of the senior management shall ensure the authenticity, accuracy, completeness, timeliness, and fairness of the information disclosed by the Company. The Company shall formulate codes of conduct for directors and members of the senior management on releasing information to the public, and clarify that information shall not be released to the public without the permission of the Board.

The voluntary disclosure of information by the Company shall comply with the principle of fairness, maintain completeness, continuity, and consistency, and shall not be selectively disclosed, be in conflict with information disclosed in accordance with the law and mislead investors. The Company shall not engage in market manipulation, insider trading, or other illegal activities using voluntary information disclosure, and such disclosure shall not violate public order, good customs, or harm public interests. When there is a significant change to the disclosed information that may affect investors' decision-making, a progress announcement shall be disclosed in a timely manner until the matter concluded. For voluntary disclosure which contains information of a predictive nature, the announcement shall set out the basis for the prediction with clear warning text specifying relevant risk factors and reminding investors of potential uncertainties and risks.

Article 162 The Company issues announcements and makes information disclosure to the domestic shareholders of unlisted shares through information disclosure newspapers and websites designated by laws, administrative regulations or relevant domestic regulatory authorities. If an announcement is required to be made to the holders of H Shares pursuant to these Articles, such announcement shall also be published in the designated newspapers, websites and/or websites of the Company in accordance with the methods stipulated in the SEHK Listing Rules.

**CHAPTER 9 MERGER, DIVISION, CAPITAL INCREASE AND
DECREASE, DISSOLUTION AND LIQUIDATION**

**SECTION 1 MERGER, DIVISION, CAPITAL INCREASE
AND DECREASE**

Article 163 The merger of the Company may take the form of either merger by absorption or Merger by incorporation.

Merger by absorption means that a company absorbing another company and the company being absorbed shall be dissolved. Merger by incorporation means that a merger of two or more companies through the establishment of a new company and the companies being consolidated shall be dissolved.

If the payment by the Company for the merger does not exceed 10% of the net assets of the Company, it shall not be subject to a resolution of the shareholders' general meeting, unless otherwise specified in the Articles of Association. If the Company merges in accordance with the provisions of the preceding paragraph without a resolution of the shareholders' general meeting of shareholders, it shall be approved by a resolution of the Board.

Article 164 In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution on merger and shall make an announcement on newspaper or the National Enterprise Credit Information Publicity System within thirty (30) days of the date of the Company's resolution on merger, and issue relevant announcements in accordance with the securities regulatory rules of the place where the Company's shares are listed (if needed).

A creditor has the right, within thirty (30) days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty-five (45) days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.

Article 165 Upon the merger, claims and liabilities of parties to the merger shall be taken over by the surviving company or the newly established company.

Article 166 Where the Company is divided, its properties shall be divided accordingly.

In the event of a split of the Company, balance sheets and inventories of assets shall be prepared. The Company shall notify its creditors within 10 days of the date of the Company's resolution on the split and shall make an announcement on newspaper or the National Enterprise Credit Information Publicity System within 30 days of the date of the Company's resolution on the split, and issue relevant announcements in accordance with the securities regulatory rules of the place where the Company's shares are listed (if needed).

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

Article 167 The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.

The Company shall notify its creditors within 10 days after the adoption of the resolution to reduce the registered capital and shall make announcements in newspapers or the National Enterprise Credit Information Publicity System within 30 days and issue relevant announcements in accordance with the securities regulatory rules of the place where the Company's shares are listed (if needed). The creditors shall be entitled to require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after the receipt of the notice, or within 45 days after the announcement for creditors if the creditors have not received the notice.

The Company's registered capital shall not, upon capital reduction, be less than the statutory minimum limit.

Article 168 If the Company still has losses after making up for them in accordance with the second paragraph of Article 142 of these Articles of Association, the Company may reduce its registered capital to make up for the remaining losses. When reducing registered capital to make up for losses, the Company shall not make any distribution to the shareholders, nor shall shareholders be exempted from their obligation to pay capital contribution or share subscription amounts.

Where the registered capital is reduced in accordance with the preceding paragraph, the provisions of the second paragraph of Article 167 of these Articles of Association shall not apply; however, the Company shall publish an announcement in newspapers or through the National Enterprise Credit Information Publicity System within 30 days from the date on which the resolution to reduce the registered capital is passed by the shareholders' general meeting.

After reducing its registered capital in accordance with the preceding two paragraphs, the Company shall not distribute profits until the aggregate amount of its statutory and discretionary reserves reaches 50% of its registered capital.

Article 169 Where the registered capital is reduced in violation of the Company Law and other relevant regulations, shareholders shall return any funds they have received, and any reduction or exemption of shareholders' capital contributions shall be reinstated. If losses are caused to the Company, the shareholders and the responsible directors and senior management shall bear liability for compensation.

Article 170 When the Company issues new shares to increase its registered capital, the shareholders shall not have the pre-emptive right, unless otherwise provided in these Articles or a resolution of the shareholders' general meeting granting such right.

Article 171 The Company shall, in accordance with the laws, apply for change in its registration with the company registration authority where a change in any item in its registration arises out of merger or division. Where the Company is dissolved, the Company shall apply for its deregistration in accordance with the laws. Where a new company is established, the Company shall apply for registration thereof in accordance with laws.

The Company shall, in accordance with the laws, apply for change in its registration with the company registration authority where it increases or reduces its registered capital.

SECTION 2 DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 172 In any of the following circumstances, the Company shall be dissolved:

- (I) the term of operation specified in these Articles expires or any other circumstance for dissolution specified in these Articles arises;
- (II) a resolution on dissolution is passed at a shareholders' general meeting;
- (III) dissolution is necessary due to a merger or division of the Company;
- (IV) its business license is revoked, or it is ordered to close up or to be revoked according to laws;
- (V) where the Company's operations and management encounter serious difficulty, and its continuation will cause substantial losses to the interests of the shareholders and no solution can be found through any other channel, shareholders holding 10% or more of the total voting rights of the Company may make requisition to the People's Court to dissolve the Company.

Article 173 In case of any situation in the paragraph (I), (II) of Article 172 of these Articles, and the property has not been distributed to shareholders, the Company may continue as a going concern by amending the Articles of Association or by resolution of the shareholders' general meeting.

Amendments to the Articles of Association in accordance with the provisions of the preceding paragraph or by resolution of the shareholders' general meeting shall be approved by more than two-thirds of the voting shares held by the shareholders attending the shareholders' general meeting.

Article 174 Where the Company is dissolved pursuant to (I), (II), (IV) and (V) of Article 172 hereof, a liquidation committee shall be set up to start the liquidation process. The Directors, who are the liquidation obligors of the Company, shall set up a liquidation team within 15 days from the date of occurrence of the cause of dissolution to commence the liquidation process. The liquidation team shall be composed of the Directors or the personnel determined by the shareholders' general meeting. If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall bear the liability for compensation.

Article 175 During the liquidation period, the liquidation committee shall exercise the following functions and powers:

- (I) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (II) to inform creditors by notice or announcement;
- (III) to dispose of and liquidate any unfinished businesses of the Company;
- (IV) to pay outstanding taxes and taxes incurred during the liquidation process;
- (V) to settle claims and debts;
- (VI) to deal with the remaining assets after the Company's debts having been paid in full;
- (VII) to represent the Company in civil lawsuits.

Article 176 The liquidation committee shall within 10 days of its establishment send a notice to creditors, and within 60 days of its establishment make a public announcement in a newspaper or the National Enterprise Credit Information Publicity System and issue relevant announcements in accordance with the securities regulatory rules of the place where the Company's shares are listed (if needed). The creditors shall declare their claims to the liquidation committee within 30 days from the date on which they receive such notice or within 45 days from the date of announcement if no such notice is received.

When declaring the claims, the creditors shall specify the relevant matters about the claims and provide evidence. The liquidation committee shall register such claims.

During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

Article 177 The liquidation committee shall, after examining the Company's property and preparing the balance sheets and an inventory of assets, formulate a liquidation plan and present it to the shareholders' general meeting or the People's Court for confirmation.

The remaining property of the Company after the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the Company continues to exist, but may not carry out any business operation that is not for purpose of carrying out liquidation. Before the settlement of repayments as prescribed in the preceding provision, the Company's property will not be distributed to shareholders.

Article 178 If the liquidation committee, having examined the Company's property and having prepared a balance sheet and an inventory of property, discovers that the Company's assets are insufficient to pay its debts in full, it shall immediately apply to the People's Court for a declaration of insolvency.

After the people's court accepts the application for bankruptcy, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator appointed by the people's court.

Article 179 After the liquidation of the Company, the liquidation team shall prepare a liquidation report, submit it to the shareholders' general meeting or the People's Court for confirmation, and submit it to the company registration authority and apply for deregistration of the Company.

Article 180 The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence.

Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the Company shall be liable for compensation, and any member of the liquidation group who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Article 181 If the Company is declared bankrupt in accordance with the laws, liquidation shall be implemented pursuant to relevant enterprise bankruptcy laws.

CHAPTER 10 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 182 The Company shall amend the Articles of Association under any of the following circumstances:

- (I) Subsequent to the amendments to the Company Law or the relevant laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed, the matters provided for in the Articles of Association are in conflict with the provisions of the amended laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed;
- (II) Changes in the state of the Company are inconsistent with the matters provided for in the Articles of Association;
- (III) The shareholders' general meeting has decided to amend the Articles of Association.

Article 183 Amendments to the Articles of Association passed by resolutions at the shareholders' general meeting, which require examination and approval by the competent authorities, shall be submitted to the competent authorities for approval. Where amendment involves the registered particulars of the Company, the procedures for change registration shall be handled in accordance with the laws.

Article 184 The Board shall amend these Articles in accordance with the resolution of the shareholders' general meeting in relation to the amendment of these Articles and the opinion on examination and approval from relevant regulatory authorities.

Article 185 Any amendment to these Articles which involves information to be disclosed as required by the law or regulations, shall be publicly announced as required.

CHAPTER 11 SUPPLEMENTARY PROVISIONS

Article 186 Definition

- (I) Controlling shareholder refers to a shareholder holding more than 30% of the total share capital of the Company; or a controlling shareholder as defined under the securities regulatory rules of the place where the Company's shares are listed.
- (II) De facto controller refers to a natural person, legal person or other organisation that is able to effectively control the conduct of the Company through investment relationships, agreements or other arrangements.
- (III) Connected relationship refers to the relationship between the controlling shareholder, de facto controller, Directors and senior management members of the Company and the enterprises directly or indirectly controlled by them, as well as other relationships that may result in the transfer of interests of the Company. Where the Hong Kong Listing Rules contain otherwise provisions in relation to connected relationships, such provisions shall prevail.
- (IV) In these Articles, "accounting firm" has the same meaning as that of "auditors" in the SEHK Listing Rules.
- (V) In these Articles, "State" refers to the People's Republic of China.

Article 187 In these Articles, "no less than" or "no more than" includes the given figure, while "less than" or "over" does not include the given figure.

Article 188 For matters not stipulated in these Articles, or inconsistencies between the provisions of these Articles and any separate agreement in writing among connected parties, the written agreement separately entered into by the connected parties shall prevail.

Article 189 These Articles are prepared in Chinese. In case of any discrepancy between any other language or different version and the Chinese version of these Articles, the Chinese version shall prevail.

Article 190 The Board shall be responsible for the interpretation of these Articles.

Matters not covered in these Articles shall be dealt with pursuant to the laws, administrative regulations and securities regulatory rules of the place where the shares of the Company are listed and in line with the actual circumstances of the Company. In the event of any discrepancy between these Articles and the newly promulgated laws, administrative regulations or securities regulatory rules of the place where the shares of the Company are listed, the latter shall prevail.

Article 191 These Articles are deliberated and adopted by the shareholders' general meeting of the Company.