

WEICHAI POWER CO., LTD.

Articles of Association

(Amended at the Company's 2024 Annual General Meeting on 13 June 2025)

Index

Chapter	Title	Page
Chapter 1	GENERAL RULES	2
Chapter 2	OBJECTIVES AND SCOPE OF BUSINESS	3
Chapter 3	SHARES	5
	Section 1 Issue of Shares	5
	Section 2 Increase, Decrease and Repurchase of Shares	7
	Section 3 Transfer of Shares	8
Chapter 4	SHAREHOLDERS AND GENERAL MEETINGS	9
	Section 1 General Provisions for Shareholders	9
	Section 2 Controlling Shareholders and De Facto Controllers	12
	Section 3 General Provisions for General Meeting	13
	Section 4 Convening of General Meetings	16
	Section 5 Motions and Notices of General Meetings	17
	Section 6 Convening of General Meetings	19
	Section 7 Voting and Resolutions of General Meetings	22
	Section 8 Special Procedures for Voting by a Class of Shareholders	26
Chapter 5	DIRECTORS AND BOARD OF DIRECTORS	28
	Section 1 General Provisions for Directors	28
	Section 2 Board of Directors	32
	Section 3 Independent Directors	36
	Section 4 Specialised Committees under Board of Directors	39
Chapter 6	SENIOR MANAGEMENT OFFICERS	41
Chapter 7	FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT	43
	Section 1 Financial and Accounting System	43
	Section 2 Internal Audit	46
	Section 3 Appointment of Accounting Firm	46
Chapter 8	MERGER, DEMERGER, CAPITAL INCREASE, REDUCTION OF CAPITAL, DISSOLUTION AND LIQUIDATION	47
	Section 1 Merger and Demerger and Capital Increase and Reduction of Capital . . .	47
	Section 2 Dissolution and Liquidation	49
Chapter 9	AMENDMENTS TO THE ARTICLES	51
Chapter 10	NOTICES AND ANNOUNCEMENTS	52
	Section 1 Notices	52
	Section 2 Announcements	53
Chapter 11	SETTLEMENT OF DISPUTES	53
Chapter 12	SUPPLEMENTARY	54

WEICHAI POWER CO., LTD. (the “Company”), a joint stock limited company incorporated in the People’s Republic of China with limited liability.

Chapter 1 GENERAL RULES

Article 1 To safeguard the legitimate rights and interests of the Company, shareholders, employees and creditors, and to regulate the organisation and activities of the Company, these Articles are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), and other relevant regulations.

Article 2 The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations of the PRC.

As approved by the document entitled Luzheng Gu Zi [2002] No. 64 (魯政股字 [2002]64號) by The People’s Government of Shandong Province, the Company was established by way of promotion on 23 December 2002. It was registered with the Weifang Municipal Administration for Market Regulation from which it obtained the business license under the Unified Social Credit Code 913700007456765902.

Article 3 The Company issued 126,500,000 overseas listed foreign shares to foreign investors to be subscribed for in foreign currency and listed overseas, and such shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) in March 2004.

On 30 March 2007, the Company was approved by the China Securities Regulatory Commission (the “CSRC”) to issue 190,653,552 ordinary shares denominated in RMB to the domestic public for the first time, and such shares were listed on the Shenzhen Stock Exchange (the “SSE”) on 30 April 2007.

Article 4 The registered Chinese name of the Company: 濰柴動力股份有限公司
The English name of the Company: WEICHAI POWER CO., LTD.

Article 5 The residence of the Company: 197, Section A, Fu Shou East Street, High Technology Industrial Development Zone, Weifang City, Shandong Province, the PRC

Postal Code: 261061

Article 6 The Company’s registered capital is RMB8,715,671,296.

Article 7 The Company shall be a perpetual joint stock limited company.

Article 8 The chairman of the Board conducts the Company’s affairs on behalf of the Company, and shall be the legal representative of the Company.

If the chairman of the Board resigns, he/she shall be deemed to have resigned as the legal representative at the same time.

In the event of the resignation of the legal representative, the Company shall appoint a new legal representative within 30 days from the date of such resignation. The procedures for the appointment and change of the legal representative shall be governed by the same provisions as those for the appointment and change of the chairman of the Board stipulated in these Articles.

Article 9 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 imposed by these Articles or by the 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.

Article 10 The shareholders shall be liable to the Company to the extent of the shares subscribed by them. The Company shall be liable for the Company's debts with all its properties.

Article 11 Commencing from the effective date of these Articles, these Articles shall regulate the Company's organisation and conduct, the rights and obligations between the Company and its shareholders as well as between the shareholders and constitute a legally binding document, and shall be legally binding on the Company, its shareholders, directors and senior management officers.

In accordance with these Articles, the shareholders shall have the right to commence legal proceeding against other shareholders; the shareholders shall have the right to commence legal proceeding against the directors and senior management officers of the Company; the shareholders shall have the right to commence legal proceeding against the Company, and the Company shall have the right to commence legal proceeding against the shareholders, directors and senior management officers.

Article 12 The senior management officers referred to in these Articles shall mean the general manager, deputy general manager, financial controller, secretary to the Board of Directors and other senior management officers appointed by the Board of Directors.

Article 13 The Company shall absorb the domestic and overseas experience and mode of scientific and advanced governance and gradually establish a sound, secure and highly-efficient corporate governance structure.

In accordance with the requirements of the Company Law and the Constitution of the Communist Party of China, organisations of the Communist Party of China (hereinafter the "Party Organisation") and working units shall be established by the Company; the Party Organisation shall play a core political role in the Company, ensure the Company's implementation of objectives and policies of the Party and the State; the Company shall provide the necessary conditions to facilitate the activities of the Party Organisation, promote the institutionalisation and standardisation of Party-building work, foster the Party Organisation's commencement of activities centering on production and operation, as well as the performance of its role.

Chapter 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 14 The objectives of the business of the Company are: with customer satisfaction as the objective, to pursue innovation-driven development, integrate and synergize competitive resources, and seek to establish a technology-leading, green, and world-class multinational group of high-end equipment, creating shared value for shareholders, employees, and the society.

Article 15 The scope of business of the Company shall be subject to the items approved by the relevant companies registration authorities.

The scope of business of the Company includes: General businesses: manufacture of general equipment (excluding special equipment); repair of general equipment; research and development of machinery and equipment; sale of machinery and equipment; research and development of automobile components; manufacture of automobile components and parts; wholesale of automobile components and parts; sale of automobile components and parts; repair of speciality equipment; sale of mechanical parts and components; data processing and storage support services; software development; development of network and information security software; development of artificial intelligence theory and algorithm software; sale of software; design of integrated circuit; manufacture of integrated circuit; sale of integrated circuit; manufacture of intelligent vehicle equipment; sale of intelligent vehicle equipment; information technology consulting services; manufacture of hydraulic power machinery and components; sale of hydraulic power machinery and components; manufacture of hydraulic pneumatic seals and systems; sale of hydraulic pneumatic seals and systems; research and development of new energy technology; research and development of electric motor and its control system; manufacture of electric motors; manufacture of mechanical and electrical equipment; sale of batteries; manufacture of electronic components; sale of electronic components; sale of electronic accessories of new energy vehicles; technical services, technological development, technological consultation, technological exchange, technological transfer, technological promotion; processing and manufacture of lubricating oil (excluding hazardous chemicals); sale of lubricating oil; manufacture of speciality chemicals (excluding hazardous chemicals); sale of speciality chemicals (excluding hazardous chemicals); sale of petroleum products (excluding hazardous chemicals); wholesale of refined oil (excluding hazardous chemicals); lease of non-residential properties; sale of metal materials; information consulting service (excluding information consulting services which require approval); general goods storage services (excluding hazardous chemicals and other items which require approval); packaging services; loading, unloading and transportation; machinery and equipment leasing; storage facilities leasing services; small and mini passenger vehicles leasing and management services; plastic packaging box and container manufacturing; sales of packaging materials and products; metal packaging container and material manufacturing; sales of metal packaging containers and materials; import and export of goods; import and export of technology; repair and maintenance of motor vehicles; sales of refrigeration and air conditioning equipment; sale of tyres; manufacture of electric generators and electric generator sets; sales of electric generators and electric generator sets; repair of electrical equipment; manufacture of batteries; manufacture of electric machines; sales of mechanical and electrical equipment; engineering and technology research and experimental development (except for human stem cells, gene diagnosis and therapy technology development and application, and rare and unique, precious and fine species in China); sale of automobiles; manufacture of power transmission and distribution and control equipment; sale of intelligent power transmission and distribution and control equipment; manufacture of power facility and equipment; sale of power facility and equipment; research and development of switch control equipment for electricity distribution; manufacture of switch control equipment for electricity distribution; sale of switch control equipment for electricity distribution; manufacture of industrial automatic control system installations; sale of industrial automatic control system installations; manufacture of photovoltaic equipment and components; sale of photovoltaic equipment and components; energy storage technical services; external project contracting; sale of special equipment; sale of electrical equipment. (Except for the projects requiring approval in accordance with the laws, the Company may conduct its operational activities independently based on its business license in accordance with the laws)

Permitted businesses: road transportation of goods (excluding dangerous goods); urban delivery and transportation services (excluding dangerous goods); construction of engineering projects; electrical installation services; design of special equipment; manufacture of special equipment. (For the projects requiring approval in accordance with the laws, the Company may only commence operational activities after obtaining the approval from the relevant authorities, and the specific operating projects shall be subject to the approval documents of the relevant authorities or licenses)

Chapter 3 SHARES

Section 1 Issue of Shares

Article 16 The shares of the Company shall take the form of share certificates.

Article 17 The shares of the Company shall be issued in accordance with the principles of open, fairness and justice. Each share of the same class shall carry the same rights. The issuance conditions and price per share of the same class in the same issuance shall be the same; the price per share to be paid for subscription for by subscribers shall be the same.

Article 18 The par value shares issued by the Company shall be denominated in Renminbi.

Article 19 The shares issued by the Company and listed on the SSE (the “A Shares”) shall be deposited collectively at the Shenzhen Branch of the China Securities Depository and Clearing Corporation Limited. The shares issued by the Company and listed on the Hong Kong Stock Exchange (the “H Shares”) shall be subject to securities regulatory rules of the place where the shares are listed and the requirements of securities registration and depository, and may be deposited through Hong Kong Securities Clearing Company Limited or held by the shareholder in his/her name.

Article 20 The names of the promoters, the number of shares subscribed, method and date of capital contribution at the time of the establishment of the Company are shown in the table below. The Company issued a total of 215,000,000 shares at the time of its establishment, with a par value per share of RMB1.

Promoters	No. of shares subscribed (ten thousand shares)	Method of capital contribution	Date of capital contribution
潍柴控股集团有限公司 (Weichai Group Holdings Limited)	8,645	The assets (including assets and liabilities relating to production and operation) as at 31 December 2001, kind contribution in the sum of RMB80 million and RMB6.45 million in cash	Cash was paid before 5 December 2002. Formalities for the transfer of real properties and land were completed on 16 June 2003 and 4 June in-2003 respectively, and other in kind contributions were delivered on 3 December 2002.
潍坊市投资公司 (Weifang Investment Company)	2,150	RMB21.50 million in cash	5 December 2002

Promoters	No. of shares subscribed (ten thousand shares)	Method of capital contribution	Date of capital contribution
培新控股有限公司 (Peterson Holdings Company Limited)	2,350	RMB23.50 million in cash	5 December 2002
福建龍岩工程機械（集團）有限公司 (Fujian Longyan Construction Machinery (Group) Company Limited)	2,150	RMB21.50 million in cash	5 December 2002
深圳市創新投資集團有限公司 (Shenzhen Chuangxin Investment Group Company Limited)	2,150	RMB21.50 million	5 December 2002
山東省企業托管經營股份有限公司 (Shandong Enterprise Trust Operation Company Limited)	1,000	RMB10 million in cash	5 December 2002
奧地利IVM技術諮詢維也納有限公司 (IVM Technical Consultants Wien Gesellschaft m.b.H.)	1,075	RMB10.75 million in cash	5 December 2002
廣西柳工集團有限公司 (Guangxi Group Company Limited)	500	RMB5 million in cash	5 December 2002
24 natural person promoters including Tan Xuguang, Xu Xinyu, Zhang Quan, Sun Shaojun, Liu Huisheng, Tong Dehui, Sun Xueke, Chen Songdong, Ding Yingdong, Dai Lixin, Han Lisheng, Feng Gang, Zhong Genghui, Wang Yong, Ma Yuxian, Liu Yuanqiang, Wang Changliang, Wang Xiaoying, Li Honggang, Li Jiajia, Wu Hongwei, Yu Rushui, Wang Tongtai and Wang Fengyi	1,480	RMB14.8 million in cash	5 December 2002

Article 21 The total number of shares of the Company is 8,715,671,296, all being ordinary shares, of which 1,943,040,000 are H Share ordinary shares and 6,772,631,296 are A Share ordinary shares.

Article 22 The Company or the Company's subsidiaries (including its affiliates) shall not provide any financial assistance, in the form of gift, advance, guarantee, or borrowings to the others to acquire shares of the Company or its parent company, except as otherwise provided by laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the Company's shares are listed.

Section 2 Increase, Decrease and Repurchase of Shares

Article 23 Subject to its needs of business and development, the Company may increase the capital in accordance with the requirements of laws and regulations and resolution on the general meeting, by way of the following:

- (1) offering of shares to untargeted subscribers;
- (2) offering of shares to targeted subscribers;
- (3) distributing bonus shares to existing shareholders;
- (4) converting the common reserve fund to share capital;
- (5) other methods permitted under the laws, administrative rules and by the securities regulatory authorities in the place where the Company's shares are listed.

Article 24 The Company may reduce its registered capital pursuant to the provisions of these Articles and shall proceed with the reduction in accordance with the procedures stated in the Company Law, other relevant regulations and these Articles.

Article 25 The Company may not acquire its own shares, except in any of the following circumstances:

- (1) reduction of the Company's registered capital;
- (2) merger with other companies that hold the Company's shares;
- (3) applying the shares for the purpose of employees' stock ownership plans or share incentives;
- (4) as a request for repurchase of shares by the shareholders who disagree with a resolution passed at a general meeting concerning the Company's merger or demerger;
- (5) for the conversion of bonds issued by the Company that are convertible into shares;
- (6) such circumstances as shall be necessary for the Company to safeguard the value of the Company and shareholders' interests.

Article 26 The Company may adopt centralised trading or other means recognised by the laws, administrative regulations and the securities regulatory authority in the place where the Company's shares are listed to repurchase its shares.

Where the Company acquires its shares pursuant to clauses (3), (5) or (6) of Article 25 of these Articles, it shall be conducted through public centralised bidding.

Article 27 In the event where the Company acquires its shares pursuant to Article 25(1) or 25(2), it shall be subject to a resolution passed at the general meeting. The Company's acquisition of its shares pursuant to Article 25(3), 25(5) or 25(6) may, pursuant to the requirements in these articles or the authorisation granted by the shareholders of the Company be subject to the resolution passed at a meeting of the Board at which more than two thirds of the directors are present.

After the Company has acquired its shares pursuant to Article 25, cancellation should be effected within 10 days from the date of acquisition in the case of clause (1); transfer or cancellation shall be effected within six months in the case of clause (2) and (4). In the case of clause (3), (5) and (6), shares of the Company held by the Company in aggregate shall not exceed 10% of the total number of shares in issue of the Company, and transfer or cancellation shall be effected within three years.

Where the laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed provide otherwise with respect to matters related to share repurchases, such provisions shall prevail.

Section 3 Transfer of Shares

Article 28 The shares of the Company shall be transferred according to the laws.

Article 29 The Company shall not accept the Company's shares as a subject of a charge.

Article 30 Shares issued prior to the domestic initial public offering of shares of the Company are not transferable within one year from the date of trading of the Company's shares on a domestic stock exchange.

Directors and senior management officers of the Company shall report to the Company the number of the Company's shares held by them and any change thereof. Shares transferable during the term of office determined upon appointment shall not exceed 25% of the total number of shares of the Company held by them. Shares of the Company held by them are not transferable within 1 year from the date of trading of the Company's shares on a domestic stock exchange. Shares of the Company held by the aforesaid personnel are not transferable within the first half year of leaving their post in the Company.

Where the laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed provide otherwise for the transfer of the Company's shares, such provisions shall prevail.

Article 31 If the directors, senior management officers of the Company and holders of more than 5% of the Company's A Shares sell their shares or other equity securities within six months from the date of acquisition, or make further acquisition within six months from the date of sale, the gains so generated shall belong to the Company and the Board of the Company will receive the gains generated by it. However, the restriction shall not apply to a securities firm which holds 5% or more of the Company's shares as a result of its purchasing of the untaken shares in an offer and other circumstances stipulated by CSRC.

The shares or other equity securities held by the directors, senior management officers or natural person shareholders referred to in the preceding paragraph include the shares or other equity securities held by their spouses, parents, children or through the accounts of any third persons.

If the Board of the Company fails to act according to the provision in the first paragraph in this Article, the shareholders shall have the right to request the Board to take actions within 30 days. If the Board of the Company fails to act within the prescribed period stated above, the shareholders shall have the right to bring an action to the People's Court directly in their own names in order to protect the interest of the Company.

If the Board of the Company fails to act according to the provision in the first paragraph in this Article, the responsible directors shall be jointly liable under the laws.

Article 32 The Company shall establish the register of shareholders according to the proof provided by the securities registration and clearing authority, and the register of shareholders shall bear adequate evidence of the shareholders holding shares in the Company. The original register of shareholders of H Shares listed in Hong Kong shall be kept in Hong Kong for the inspection of shareholders. However, the register of shareholders may be closed in accordance with applicable laws and regulations and securities regulatory rules of the place where the Company's shares are listed. A shareholder shall enjoy rights and assume obligations according to the class of the shares held by him. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

Chapter 4 SHAREHOLDERS AND GENERAL MEETINGS

Section 1 General Provisions for Shareholders

Article 33 Where the Company decides to convene a general meeting, distribute dividends, liquidate and carry out other activities which would require the identification of shareholders, the Board or the convener of the general meeting shall fix the share registration date. The shareholders whose names are registered in the share register after the closing of the share registration date shall be the shareholders entitled to relevant rights and interests.

Where laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the shares of the Company are listed stipulate on the period of closure of the register of shareholders prior to the date of a general meeting or before the share registration date for the Company's distribution of dividends, liquidation and carrying out other activities which would require the identification of shareholders, such provisions shall prevail.

Article 34 Shareholders of the Company are entitled to the following rights:

- (1) receive dividends and other forms of interest distributions according to the proportion of shares held by them;
- (2) request to convene, call, host, participate in a general meeting or appoint their proxies to attend such meeting pursuant to the law and exercise the corresponding voting rights;
- (3) supervise the operations of the Company, make recommendations and raise queries;
- (4) transfer, give as gift(s) or pledge their shares pursuant to the provisions of the laws, administrative regulations, departmental rules and these Articles;

- (5) to inspect and reproduce these Articles, register of shareholders, minutes of general meetings, resolutions of the meetings of the Board, and financial and accounting reports and shareholders who satisfy the prescribed criteria may inspect the Company's accounting books and vouchers;
- (6) in the event of the cessation or liquidation of the Company, participate in the distribution of the Company's residual assets according to the proportion of their shares;
- (7) the shareholders disagreeing with the resolution on merger or demerger by the general meeting are entitled to request the Company to acquire their shares;
- (8) other rights stipulated by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles.

Article 35 Shareholder requesting to inspect and reproduce the relevant information of the Company shall comply with the Company Law, the Securities Law, and other relevant laws and administrative regulations. Such shareholder should provide written documents to prove the class and quantity of the Company's shares held by him. The Company will provide the relevant information and materials as requested by such shareholder upon verification of his identity.

Article 36 If any resolution passed by general meetings and Board meetings are in breach of laws or administrative regulations, the shareholders are entitled to seek confirmations from the People's Court that such resolutions are invalid.

In respect of any procedure of convening of general meetings or Board meetings or voting methods in breach of laws or administrative regulations or these Articles, or any resolution in breach of these Articles, the shareholders shall have the right to seek a revocation of the same at the People's Court within 60 days from the date of the resolution, except where there were only minor defects in the procedures of convening of a general meeting or Board meeting or the voting method which did not result in substantial effect on the resolution.

If the stakeholders including the Board and shareholders dispute the validity of a resolution passed at a general meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a judgement or ruling to revoke the resolution, the stakeholders shall still execute the resolution passed at the general meeting. The Company, its directors and senior management officers shall perform their duties diligently to ensure the normal operation of the Company.

Where the People's Court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, the requirements of the CSRC and the stock exchange, fully explain the impact, and actively cooperate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

Article 37 A resolution of the Company's general meeting or Board is invalid under any of the following circumstances:

- (1) the resolution was made without convening a general meeting or Board meeting;
- (2) the general meeting or Board meeting did not vote on the resolution matter;

- (3) the number of attendees or the voting rights held by them did not reach the quorum required by the Company Law or these Articles;
- (4) the number of persons or the voting rights held by them agreeing to the resolution matter did not reach the majority required by the Company Law or these Articles.

Article 38 If the directors or senior management officers other than members of the audit committee violate the provisions of the laws, administrative regulations or these Articles in the course of performing their duties, and such violation results in losses to the Company, the shareholders who are holding more than 1% of the Company's shares, either individually or collectively, for a period of over 180 days continuously have the right to make a written request demanding the audit committee to bring an action to the People's Court. If a member of the audit committee violates the provisions of the laws, administrative regulations or these Articles in the course of performing its duties, and such violation results in losses to the Company, the aforementioned shareholders have the right to make a written request demanding the Board to bring an action to the People's Court.

In the event that the audit committee and the Board of Directors refuse to bring an action after receipt of a written request from the shareholders in accordance with provisions set out in the previous paragraph, or fail to bring an action within 30 days from the receipt of such request, or in an emergency situation where failure to bring an action immediately shall result in harm beyond remedy to the Company's interests, shareholders stipulated in the previous paragraph shall have the right to directly bring an action to the People's Court in their own names for the benefit of the Company.

If the Company's lawful interests are infringed by other people that result in losses to the Company, the shareholders mentioned in clause 1 of this Article may bring an action to the People's Court pursuant to the two preceding paragraphs of this Article.

Where the directors, supervisors or senior management officers of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or these Articles during the performance of their duties and cause losses to the Company, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, the shareholders severally or jointly holding 1% or more of the Company's shares for a period of 180 consecutive days or longer, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, are entitled to request the supervisory committee or board of directors of the wholly-owned subsidiary to initiate legal proceedings with the People's Court in writing or directly initiate legal proceedings with the People's Court in its own name. If the Company's wholly-owned subsidiary does not have a supervisory committee or supervisors, but has an audit committee, the provisions specified in paragraphs 1 and 2 of this Article shall apply.

Article 39 Shareholders may commence legal actions against the directors or senior management officers who are in breach of the provisions of laws, administrative regulations or these Articles or acting against the interest of the shareholders with the People's Court.

Article 40 Shareholders of the Company shall perform the following obligations:

- (1) To comply with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles;

- (2) To make payment according to the number of shares subscribed for and the mode of participation;
- (3) Not to withdraw its share capital unless otherwise provided by laws and regulations;
- (4) Not to impair the interests of the Company or other shareholders by abusing their rights as a shareholder; not to impair the interests of the Company's creditors by abusing the Company's status as an independent legal person or the shareholders' limited liabilities;
- (5) other obligations liable as prescribed under the provisions of the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 41 If a shareholder of the Company abuses his/her shareholder rights, thereby causing the Company or shareholders to sustain a loss, he/she shall be held liable for damages in accordance with the laws. If a shareholder of the Company abuses the independent status of the Company as a legal person and limited liability of shareholders to evade a debt, thereby materially harming the interests of a creditor of the Company, he/she shall bear joint and several liability for the debt of the Company.

Section 2 Controlling Shareholders and De Facto Controllers

Article 42 The Company's controlling shareholders and de facto controllers shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, the provisions of the CSRC and the stock exchange, to safeguard the interests of the Company.

Article 43 The Company's controlling shareholders and de facto controllers shall:

- (1) exercise their rights as shareholders in accordance with the laws and shall not abuse their control or use their connected relationship to prejudice the legitimate interests of the Company or other shareholders;
- (2) strictly perform all public statements made and commitments undertaken and shall not arbitrarily change or waive them;
- (3) fulfil information disclosure obligations in strict accordance with the relevant regulations, proactively cooperate with the Company in information disclosure and inform the Company in a timely manner of material events that have occurred or are proposed to occur;
- (4) not appropriate the Company's funds in any way;
- (5) not order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (6) not make use of the Company's undisclosed material information to gain benefits, divulge in any way undisclosed material information relating to the Company, engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;

- (7) not prejudice the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, foreign investment or any other means;
- (8) ensure the integrity of the Company's assets, and the independence of personnel, finance, organisation and business, and shall not affect the independence of the Company in any way;
- (9) comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and other provisions of these Articles.

Where a controlling shareholder and de facto controller of the Company does not act as a director of the Company but actually conducts the affairs of the Company, the provisions of these Articles relating to the duties of loyalty and diligence of directors shall apply.

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

Article 44 Where a controlling shareholder and de facto controller pledges the shares of the Company that he/she holds or effectively controls, he/she shall maintain the stability of the Company's control and production operations.

Article 45 Where a controlling shareholder and de facto controller transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in the laws, administrative regulations, the regulations of the CSRC and the stock exchange, as well as his/her undertakings in respect of the restriction on the transfer of shares.

Section 3 General Provisions for General Meeting

Article 46 The general meeting of the Company comprises all shareholders. The general meeting shall be the source of authority of the Company and shall exercise the following powers according to the laws:

- (1) to elect and replace directors who are not employees' representatives and decide on matters relating to their remuneration;
- (2) to examine and approve reports of the Board of Directors;
- (3) to examine and approve the Company's plans for profit distribution and making up of losses;
- (4) to pass resolutions on the increase or reduction of the Company's registered capital;
- (5) to pass resolutions on merger, demerger, dissolution, liquidation or conversion of form of the Company;
- (6) to pass resolutions on the issuance of bonds by the Company;
- (7) to pass resolutions on the appointment and dismissal of the accounting firm that undertakes the Company's audit;

- (8) to amend these Articles;
- (9) to examine matters in respect of the acquisition and disposition of significant assets with amounts exceeding 30% of the latest total audited assets of the Company within one year;
- (10) to pass resolutions on external guarantees which, according to the laws, regulations and these Articles, shall be approved by the general meetings;
- (11) to examine and approve changes in the use of funds raised;
- (12) to examine share incentive scheme and employee share plan;
- (13) to examine any other matters which, according to the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and these Articles, shall be approved by the general meetings.

The general meeting may authorise the Board of Directors to pass resolutions on the issuance of corporate bonds.

Article 47 The following guarantees by the Company shall be considered by the Board and submitted to a general meeting for approval:

- (1) any external guarantee provided by the Company and its controlled subsidiaries, the amount of which exceeds 50% of the latest audited net assets;
- (2) where the accumulated amount of guarantees provided in the recent 12 months exceeds 30% of the Company's latest audited total assets;
- (3) the provision of guarantee to the target of guarantee whose asset to liability ratio exceeds 70%;
- (4) the provision of any single guarantee, the amount of which exceeds 10% of the latest audited net assets;
- (5) the guarantee provided to shareholders, de facto controller(s) and their associates;
- (6) any guarantee provided by the Company, the amount of which in aggregate with external guarantee provided by the Company exceeds 30% of the latest audited total assets;
- (7) guarantees to be submitted to a general meeting for approval under the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the Company provides a guarantee, in addition to requiring approval by a majority of all directors, such matter shall be reviewed, approved, and resolved by two-thirds or more of the directors present at the Board meetings. When the general meeting of the Company reviews the provision of guarantee under item (2) of the preceding paragraph, the resolution shall require approval by two-thirds or more of the voting rights held by the shareholders present at the meeting.

If the directors and senior management officers are in breach of the above provisions governing the limits of examination and approval authority and the examination procedures for providing external guarantee, and such breach causes damage to the Company, such parties shall be liable for compensation. The Company may initiate legal actions against such person in accordance with the law.

Article 48 General meetings are divided into annual general meetings and extraordinary general meetings. An annual general meeting shall be held once every year and shall be held within six months after the end of the previous accounting year.

Article 49 In the event of any of the following, the Company should convene an extraordinary general meeting within two months upon the occurrence of such circumstances:

- (1) the number of directors is less than the number prescribed by the Company Law or less than two-thirds of the number as required under these Articles;
- (2) when the Company has not recovered losses equivalent to one-third of its total capital;
- (3) at the request of the shareholders who are holding more than 10% of the Company's shares, either individually or collectively;
- (4) where the Board considers necessary;
- (5) when proposed by the audit committee;
- (6) other circumstances prescribed by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or these Articles.

Article 50 The Company's general meeting shall be held at the Company's residence or any other place designated by the Board of Directors.

A general meeting shall have a venue and be held in the form of an onsite meeting. The Company will also provide online voting to facilitate the shareholders' participation in the general meeting. Shareholders participating in a general meeting in the aforesaid manner shall be deemed to have attended such meeting.

Article 51 In the event of convening a general meeting, the Company shall appoint a lawyer to provide legal opinion on the following issues and make an announcement:

- (1) whether the calling or convening of a meeting complies with the laws, administrative regulations, these Articles;
- (2) the validity of the qualifications of personnel who are present at a meeting, and the convener;
- (3) the validity of the voting procedure and results at the meeting;
- (4) the issue of legal opinion on any other matters at the Company's request.

Section 4 Convening of General Meetings

Article 52 The Board of Directors shall convene the general meeting on time within the stipulated period.

With the consent of more than half of all independent directors, independent directors shall be entitled to propose to the Board of Directors to convene an extraordinary general meeting. 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, make a written response of agreeing or disagreeing to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board of Directors agrees to convene an extraordinary general meeting, a notice of the general meeting shall be issued within 5 days after passing the resolution of the Board of Directors. Where the Board of Directors disagrees with convening an extraordinary general meeting, it should state its reasons and make an announcement.

Article 53 The audit committee may propose the convening of extraordinary general meetings to the Board of Directors, provided that such proposal shall be made in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the provisions of these Articles, make a written response of agreeing or disagreeing to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

Where the Board of Directors agrees to convene an extraordinary general meeting, a notice of the general meeting shall be issued within 5 days after passing the resolution of the Board of Directors. Any change to the original motion stated in the notice shall be agreed by the audit committee.

Where the Board of Directors disagrees with convening an extraordinary general meeting or fails to make a response within 10 days upon receipt of the proposal, the Board of Directors shall be considered as being unable to or failing to perform its duties of convening a general meeting and the audit committee can convene and preside over such meeting itself.

Article 54 Shareholders holding more than 10% of the shares of the Company either individually or collectively requesting the convening of an extraordinary general meeting to the Board of Directors shall submit the request in writing to the Board of Directors. The Board of Directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the provisions of these Articles, provide a written response within 10 days upon receipt of the request, indicating whether it agrees or disagrees with convening the extraordinary general meeting.

Where the Board of Directors agrees to convene the extraordinary general meeting, a notice to convene the general meeting shall be issued within 5 days after passing the resolution of the Board of Directors. Any change to the original request stated in the notice shall be agreed by the shareholders.

Where the Board of Directors disagrees with convening the extraordinary general meeting or fails to reply within 10 days upon receipt of the request, shareholders holding more than 10% of the shares of the Company either individually or collectively may submit a request to the audit committee proposing the convening of an extraordinary general meeting.

Where the audit committee agrees to convene the extraordinary general meeting, a notice of the general meeting shall be issued within five days upon receipt of the request. Any change to the original request stated in the notice shall be agreed by the relevant shareholders.

Where the audit committee fails to issued the notice of the general meeting the stipulated period, it shall be deemed that the audit committee will not convene or preside over the general meeting. Shareholders holding more than 10% of the shares of the Company either individually or collectively for more than 90 consecutive days may convene and preside over the meeting themselves.

Article 55 If the audit committee or shareholders decide to convene a general meeting on their own, they shall provide written notice to the Board of Directors and file a record with the SSE at the same time.

The audit committee or the convening shareholders shall submit relevant supporting documentation to the SSE when issuing the notice of the general meeting and announcements on the resolution of the meeting.

Prior to the announcement of the resolutions of a general meeting, the shareholding percentage of the requisitioning shareholders shall not be less than 10%.

Article 56 For general meetings convened by the audit committee or the shareholders, the Board of Directors and the secretary to the Board of Directors shall facilitate such meetings. The Board of Directors shall provide the register of members as at the record date.

Article 57 All necessary expenses incurred for general meetings convened by the audit committee or shareholder(s) shall be borne by the Company.

Section 5 Motions and Notices of General Meetings

Article 58 The contents of the general meeting motions shall be within the scope of powers of the general meeting and such motions shall have precise agenda and specific matters to be resolved, and comply with the relevant provisions of the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 59 The Board of Directors, the audit committee or shareholders who hold, individually or collectively, more than 1% of the Company's shares shall have the right to propose a motion to the Company for consideration at the general meeting of the Company.

Shareholders who hold, individually or collectively, more than 1% of the Company's shares may propose a provisional motion in writing to the convenor 10 days prior to the general meeting. Within 2 days upon the receipt of the proposed motion, the convenor shall issue a supplementary notice of the general meeting to announce the content of the provisional motion, and submit the provisional motion to the general meeting for consideration, except for provisional motions that violate laws, administrative regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, or these Articles, or that falls outside the scope of powers of the general meeting.

Except for the situation provided in the previous clause, the convenor shall not amend any proposed motion specified in the notice of the general meeting or add any new motion after the issue of the notice of the general meeting.

The general meeting shall not vote or resolve on the proposed motions which are not stated in the notice of the general meeting or which are not in compliance with the requirements set out in these Articles.

Article 60 The convener shall notify all shareholders by public notice 20 days prior to the annual general meeting and 15 days prior to the extraordinary general meeting. When calculating the notice period, the Company shall exclude the date of the meeting. Where the laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

Article 61 Notice of the general meeting shall include the following:

- (1) time, place and duration of the meeting;
- (2) matters and proposals to be submitted to the meetings for consideration;
- (3) an explanation in conspicuous words: all shareholders are entitled to attend the general meeting, and may in writing appoint a proxy to attend and vote at such meeting, such proxy may not necessarily be a shareholder of the Company;
- (4) share registration date for shareholders who are entitled to attend the meeting;
- (5) name and telephone number of the contact person for general meetings;
- (6) the timing and procedure for voting online or otherwise.

Where the laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

Article 62 Where the election of directors is to be discussed at a shareholders' meeting, the notice of the meeting shall provide full disclosure of detailed information on the director candidates, including at least the following:

- (1) personal information such as educational background, work experience and part-time jobs;
- (2) whether there is any connected relationship with the Company or the Company's controlling shareholders and de facto controllers;
- (3) the number of shares held in the Company;
- (4) whether he/she has been penalised by the CSRC and other relevant authorities and disciplined by the stock exchange.

Unless the cumulative voting system is adopted for the election of directors, each director candidate shall be submitted as a single motion.

Article 63 Unless there is a justifiable reason, any general meeting shall not be adjourned or cancelled after the issue of notice of the general meeting and the motions stated in the notice of the general meeting shall not be cancelled. In the circumstances of the adjournment or cancellation of the meeting, the convenor shall issue an announcement of the relevant reasons at least 2 business days before the original date of meeting.

Section 6 Convening of General Meetings

Article 64 The Board of Directors of the Company and other convener shall adopt necessary measures to ensure the normal discipline of the general meetings. In respect of actions interfering the general meetings, making provocations and troubles and infringing the legitimate interests of shareholders, measures shall be adopted to stop and to report to the relevant authorities in a timely manner for investigation and handling.

Article 65 All shareholders whose name were entered in the register of shareholders on the share registration date or their proxies shall have the right to attend the general meeting and exercise their voting rights and the right to speak at the general meeting in accordance with relevant laws, regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

A shareholder may attend the general meeting and vote personally or appoint its proxy to attend the general meeting and exercise the right to speak and the right to vote within the scope of authorisation on his/her behalf.

Article 66 Individual shareholders participating in the meeting in person shall present their identification cards or other valid documents or evidence which can show their identities; the proxies attending the meeting shall present their identification documents and instruments of proxy of the shareholders.

Corporate shareholders shall be represented by their legal representatives or their proxies when attending the meeting. The legal representatives attending the meeting shall present their identification cards and valid evidence proving their qualifications as legal representative; the proxies attending the meeting shall present their identification cards and the written instruments of proxy of such corporate shareholders in accordance with the law.

For H Share shareholders, where a shareholder is a Recognised Clearing House (or its nominee) as defined under the relevant Hong Kong laws and regulations as may be amended from time to time, such shareholder may authorise company representative(s) or one or more persons as it thinks fit to attend and act on its behalf at any general meeting or any other class meetings or any creditors' meeting; whereas one or more person are so authorised, the power of attorney shall specify the number and class of shares of each of such persons so authorised. Such persons so authorised may exercise the rights on behalf of the Recognised Clearing House as if such person was a shareholder of the Company.

Article 67 The instruments of proxy of shareholders appointing other persons to attend general meetings shall set out the following information:

- (1) name of the appointer, class and number of shares of the Company held;
- (2) name of the proxy;
- (3) specific instructions from shareholders, including instructions to vote for, against or abstain from voting on each matter to be included in the agenda for consideration at the general meeting etc.;
- (4) date of issue of the instrument of proxy and the valid period;

- (5) the signature (or seal) of the appointer. In the case of a corporate shareholder, the instrument of proxy must be affixed with the corporate seal.

Article 68 If the power of attorney for voting by proxy is signed by a person on behalf of the appointer, the power of attorney or other authorisation documents thereof shall be notarised. Such notarised power of attorney or other documents, and the power of attorney for voting by proxy shall be deposited at the residence of the Company or at such other place as specified for that purpose in the notice convening the meeting together with the instrument appointing a voting proxy.

Article 69 The Company shall be responsible for the preparation of the register of personnel attending of the general meeting. Such register shall set out the names of the attending individuals (or names of the entities), identification card numbers, number of shares with voting rights held or represented and names of the individuals or entities represented by proxies, etc.

Article 70 The convener and the lawyers engaged by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of shareholders provided by the securities depository and clearing body, and shall register the names of the shareholders as well as the number of their voting shares. The registration for a meeting shall end before the chairman of the meeting announces the number of shareholders and proxies attending the meeting in person and the total number of their voting shares held.

Article 71 Where a director or senior management officer is required to attend a general meeting, such director or senior management officer shall attend the meeting and answer the enquiries from shareholders.

Article 72 A general meeting shall be presided over by the chairman of the Board. Where the chairman of the Board is unable to or fails to perform his duties, the meeting shall be presided over by the vice chairman of the Board. Where the vice chairman of the Board is unable to or fails to perform his duties, a majority of directors may jointly designate a director to preside over the meeting.

The convener of the audit committee shall preside over a general meeting convened by the audit committee. Where the convener of the audit committee is unable to or fails to perform his duties, a majority of the members of the audit committee may jointly designate a member of the audit committee to preside over the meeting.

The convenor or the representative elected by the convenor shall preside over a general meeting convened by the shareholders.

Where a general meeting is unable to continue due to the breach of the rules of proceedings by the chairman, the general meeting may elect a person to preside over and continue the meeting with the agreement of a majority of the shareholders with voting rights present at the general meeting.

Article 73 The Company shall establish rules of procedure for general meetings, detailing the procedures for convening, conducting, and voting at such meetings, including notice, registration, review of proposals, voting, vote counting, announcement of voting results, adoption of resolutions, recording and signing of minutes, public disclosures, as well as the principles governing the grant of authorisation by general meetings to the Board. The content of authorisation shall be clear and specific. The rules of procedure for general meetings shall be appended as an annex to these Articles, and shall be drafted by the Board of Directors and approved by the general meeting.

Article 74 At annual general meetings, the Board shall report to the shareholders in respect of their work done over the previous year, and each independent director shall also submit his performance report.

Article 75 The directors and senior management officers shall give explanations and statements in respect of the shareholders' enquiries and recommendations at general meetings.

Article 76 The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, with the number of attending shareholders and their proxies and the total number of their voting shares being subject to those registered at the relevant general meeting.

Article 77 Minutes of general meetings should be kept and the secretary to the board of directors shall be responsible for keeping such minutes. Minutes of the meeting shall contain the following contents:

- (1) The time, place, agenda and name of the convenor of the meeting;
- (2) the chairman of the meeting and the names of directors and senior management officers attending at the meeting;
- (3) the number of shareholders and their proxies attending the meeting, the total number of shares with voting rights held by them and as a percentage to the total number of shares in the Company;
- (4) the total number of shares with voting rights held by respective shareholders of A shares and H shares attending the meeting, and their respective percentages to the total number of shares in the Company;
- (5) the process of discussion, main points of speakers and result of voting of each motion and details of the voting by shareholders of A shares and of H shares of each resolution;
- (6) details of the queries or recommendations of the shareholders and the related responses and explanations;
- (7) the names of the lawyers, vote counters and scrutineers;
- (8) other contents which shall be entered in the minutes of the meeting in accordance with the provisions of these Articles.

Article 78 The convenor shall ensure that the contents of the minutes are true, accurate and complete. The minutes of meeting shall be signed by directors, secretary to the Board, convenor or his representative attending or present at the meeting and the chairman of the meeting. The minutes of the meeting and the attendance records signed by the attending shareholders and the proxy forms of proxies, valid record on internet voting and other means of voting, shall be kept for not less than 10 years.

Article 79 The convenor shall ensure that the general meeting is being conducted continually until final decisions are made. Where special reasons such as force majeure have led to the suspension of the general meeting or failure to pass the resolution, necessary measures shall be taken to resume the general meeting as soon as possible, or to end the present general meeting directly and make an announcement timely. At the same time, the convener shall deliver a report to the branch office of the CSRC at the place where the Company resides and the stock exchange.

Section 7 Voting and Resolutions of General Meetings

Article 80 Resolutions of general meetings shall be categorised into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by over one-half of the voting rights of the shareholders present at the general meeting.

Unless otherwise specified in these Articles, a special resolution shall be passed by more than two-thirds of the voting rights of the shareholders present at the general meeting.

The shareholders referred to in this Article include shareholders who appoint proxies to attend the general meeting.

Article 81 The following matters shall be resolved by an ordinary resolution at the general meeting:

- (1) Work reports of the Board;
- (2) Plans formulated by the Board for profits distribution and for recovery of losses;
- (3) Appointment and removal of the members of the Board, their remuneration and method(s) of payment;
- (4) Matters other than those specified by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles to be resolved by special resolutions.

Article 82 The following matters shall be resolved by a special resolution at the general meeting:

- (1) the increase or reduction in share capital of the Company;
- (2) the demerger, spin-off, merger, dissolution or liquidation of the Company;
- (3) the amendments to these Articles;
- (4) any purchase or sale of substantial assets or any guarantee provided by the Company to others in an aggregate amount in a year of over 30% of the latest audited total assets of the Company;
- (5) share options incentive scheme;

- (6) such other matters as required by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles, and decided by the general meeting by way of an ordinary resolution to be of a nature which may have a material impact on the Company and required to be resolved by a special resolution.

Article 83 Shareholders shall exercise their voting rights based on the number of voting shares held by them, and each share carries one vote.

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

The shares held by the Company itself do not attach any voting rights, and such shares are not counted as part of the voting shares of those shareholders who attend the meeting.

If the purchase of the voting shares of the Company by a shareholder violates the provisions of clauses 1 and 2 of Article 63 of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised within 36 months after the purchase, and such shares shall not be counted towards the total number of voting shares held by the shareholders attending the general meeting.

Under the applicable laws and regulations and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a resolution or is restricted to voting only in favour of (or against) a resolution, any votes cast by such shareholder or their proxy in breach of such requirements or restrictions shall be excluded from the total number of voting shares.

The Board, independent directors, those shareholders holding more than 1% of voting rights, or investor protection organisations established according to the laws, administrative regulations or requirements stipulated by the CSRC may publicly collect voting rights from shareholders. They shall adequately disclose specific information including voting intents to the persons whose voting rights are collected when collecting voting rights from shareholders. Consideration or de facto consideration for collecting shareholders' voting rights is prohibited. Save for the statutory conditions, the Company shall not set minimum shareholding percentage limit for collection of voting rights.

Shareholders referred to in paragraph 1 of this Article shall include shareholders who appoint proxies to attend general meetings.

Article 84 When matters about connected transactions are discussed at a general meeting, the connected shareholders should not participate in the voting of the resolution, and the shares with voting rights of such shareholders will not be counted as valid votes. The announcement of a resolution passed at a general meeting should disclose sufficient details of voting by non-connected shareholders.

The scope of connected shareholders and the review, approval, and disclosure procedures for connected transactions shall be governed by the regulations of the CSRC, the stock exchanges, the securities regulatory rules of the place where the Company's shares are listed, and the Company's specific policies on connected transactions.

Article 85 Except in special circumstances such as when the Company is in a situation of crisis, unless approved by special resolution at the general meeting, the Company shall not enter into any contract with persons other than the directors and senior management officers in relation to the giving of the management of all or important business of the Company to such person.

Article 86 The list of director candidates shall be submitted as motions to the general meeting for voting.

When the general meeting votes on the election of directors, the cumulative voting system may be implemented according to these Articles or the resolution of the general meeting. The cumulative voting system shall be adopted when a sole shareholder of the Company and persons acting in concert with it are interested in 30% or more of shares of the Company, or when the general meeting involves the election of two or more independent directors.

The cumulative voting system referred to in the preceding paragraph means that in the election of more than two directors, the number of votes of each shareholder shall equal the multiple of the number of shares he holds and the number of directors to be elected. Each shareholder shall be entitled to cast all his votes for a single candidate or distribute his votes at his discretion or cast all his votes for two or more nominees. The candidate with the highest number of votes shall be elected.

The methods and procedures for nomination of director candidates are as follows:

- (1) The Board, the audit committee and shareholders individually or collectively holding more than 1% of shares may propose to the general meeting director candidates who are non-employee representatives.
- (2) The employee representative director in the Board shall be elected by the Company's employees at the employee representatives' meeting, employee meeting or otherwise democratically.

Article 87 Other than voting by way of the cumulative voting mechanism, all the proposals shall be voted item by item at the general meeting, and different proposals concerning the same matter shall be voted in chronological order of their respective dates of submission. Unless a general meeting is suspended or no resolution can be adopted due to special reasons such as force majeure, no proposal shall be set aside or rejected for voting at the general meeting.

Article 88 Motions shall not be amended when being considered at the general meeting. Otherwise, the relevant amended motion shall be deemed to be a new motion which shall not be put forward to be voted in the same shareholders' meeting.

Article 89 Only one of the following means of voting: at the meeting venue, through the internet or by other means, shall be chosen for the same vote. In the event that repeated votes are cast for the same voting share, the first vote shall prevail.

Article 90 Voting on proposals at a general meeting shall be conducted by registered poll.

Article 91 Prior to the voting on any motion at the general meeting, two representatives of the shareholders shall be appointed to participate in the vote counting and scrutinizing. Shareholders and their proxies shall not participate in the vote counting and scrutinizing if they have a connected relationship with the matters to be considered.

During the voting on any motion in the general meeting, a lawyer, the shareholder representatives and representatives designated by the securities regulatory authority in the place where the Company's shares are listed (or as required by its listing rules) shall be jointly responsible for vote counting and scrutinizing and the voting results shall be declared at the meeting. The voting results shall be entered in the minutes of the meeting.

Shareholders or their proxies who vote through the internet or by other means shall have the right to check their voting result through the relevant voting system.

Article 92 The ending time of the general meeting at the meeting venue shall not be earlier than that of the meeting through the internet or by other means. The chairman of the meeting shall declare the voting situation and results of each motion, and announce whether the motion is approved according to the voting results.

Before the formal announcement of the voting results, the Company, vote counters, scrutineers, shareholders, suppliers of the internet services and other related parties involved in the meeting venue, voting through the internet or by other means, shall have the duty of confidentiality in respect of the voting results.

Article 93 Shareholders attending the general meeting shall express one of the following opinions as to the motions put forward for voting: for, against or abstain. The securities depository and clearing body shall be the holder (in the capacity of a nominee) of shares under the stock connect mechanism covering the stock markets of the PRC and of Hong Kong, except for those to be declared at the intention of the de-facto holder.

Votes in respect of ballots which are not filled or wrongly filled, or contain unidentifiable handwriting, and ballots which are not put into the vote box, shall be deemed to be abstained from voting, and the number of shares representing such votes shall be regarded as "abstained from voting".

Article 94 Where the presider of the meeting has any doubts over the results of a resolution put forward for voting, he/she may organize the counting of the number of vote cast; where the presider of the meeting does not count the votes, a shareholder or its proxy attending the meeting who challenges the result announced by the presider of the meeting shall have the right to request counting of votes to be conducted immediately after such announcement, and the presider of the meeting shall immediately organize the counting of the votes.

Article 95 The resolutions of general meetings shall be announced in a timely manner, and the announcement shall specify the number of shareholders and proxies attending the meeting, the number of voting shares held by them and the percentage of such shares to the total number of voting shares of the Company, voting methods, the voting result of each proposal and the details of the resolutions passed.

Article 96 Where a proposal is not passed, or if a resolution of the previous general meeting is changed by the present general meeting, a special note shall be made in the announcement on the resolutions of the general meeting.

Article 97 For motions of election for directors passed by the general meeting, the appointment of new directors shall be effective on the date of election.

Article 98 Where a proposal in relation to the payment of cash dividends, the issue of bonus shares or the capitalisation of capital reserves has been passed at a general meeting, the Company shall implement the specific plans within 2 months after the conclusion of the general meeting.

Section 8 Special Procedures for Voting by a Class of Shareholders

Article 99 For the purposes of this section only, holders of A Shares and holders of H Shares shall be treated as separate classes of shareholders.

Article 100 Rights conferred on any class of shareholders in the capacity of shareholders may not be varied or abrogated unless approved by a special resolution at the general meeting and by holders of shares of that class at a separate meeting in accordance with this section.

Article 101 The following circumstances shall be deemed to be variations or abrogation of the rights of a class of shareholders:

- (1) To increase or reduce the number of shares of such class, or to increase or reduce the number of shares of a class having voting rights or rights of distribution or other privileges equal or superior to those of the shares of such class;
- (2) To effect an exchange of all or part of the shares of such class into shares of another class, or to effect an exchange or create a right of exchange of all or part of the shares of another class into the shares of such class;
- (3) To remove or reduce rights to accrued dividends or rights to cumulative dividends attached to shares of such class;
- (4) To reduce or remove a dividend preference attached to shares of such class, to receive dividends or to the distribution of assets in the event of the Company is liquidated;
- (5) To add, remove or reduce conversion privileges, options, voting rights, transfer or pre-emptive rights, or rights to acquire securities of the Company attached to shares of such class;
- (6) To remove or reduce rights attached to shares of such class to receive payment payable by the Company in particular currencies;
- (7) To create a new class of shares having voting or equity rights or other privileges equal or superior to those of the shares of such class;
- (8) To restrict the transfer or title of the shares of such class or add to such restriction;

- (9) To issue rights to subscribe for, or convert into, shares of such class or another class;
- (10) To increase the rights and privileges of shares of other classes;
- (11) To restructure the Company in such way so as to result in the disproportionate distribution of obligations between the various classes of shareholders;
- (12) To vary or abrogate the provisions of this Chapter.

Article 102 Shareholders of the affected class, whether or not otherwise having the voting right at general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning Clauses (2) to (8), (11) to (12) of the preceding Article, but interested shareholder(s) shall not be entitled to vote at class meetings.

The meaning of “interested shareholder(s)” as mentioned in the preceding paragraph refer to:

- (1) in the case of a repurchase of shares by offers to all shareholders on a pro rata basis or public dealing on a stock exchange in accordance with these Articles, a “controlling shareholder” shall have the meaning as ascribed to it under these Articles;
- (2) in the case of a repurchase of share by an off-market agreement in accordance with these Articles, a shareholder to which the proposed agreement relates;
- (3) in the case of a restructuring of the Company, a shareholder within a class who bears a relatively lower proportion of obligation than the obligations imposed on the shareholders of that class and those having an interest different from the general interest of shareholders of that class.

Article 103 Resolutions of a class of shareholders shall be passed by votes representing more than two-thirds of the voting rights of shareholders of that class who, according to the preceding Article, are entitled to vote at class meetings.

According to the securities regulatory rules of the place where the Company’s shares are listed, any shareholder is required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution at the class meeting, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 104 Written notice of the convening of a class meeting shall be given in accordance with the timeline for giving notice in respect of the convening of a general meeting under the Articles of Association, to notify all of the shareholders in the share register of such class of the matters to be considered, the date and the place of the class meeting.

Article 105 Notice of class meetings needs to be served only on shareholders entitled to vote thereat.

Any meeting of a class of shareholders shall be conducted in a manner as similar as possible to that of a general meeting. The terms of these Articles relating to the proceedings to conduct any general meeting shall apply to any meeting of a class of shareholders.

Article 106 The special procedures for voting at a class meeting shall not apply to the following circumstances:

- (1) where the Company issues, upon approval by a special resolution at a general meeting, A Shares and H Shares once every 12 months, either separately or concurrently, and the number of A Shares and H Shares proposed to be issued does not exceed 20% of each of the issued shares of relevant classes respectively;
- (2) where the Company's plan to issue A Shares and H Shares at the time of its incorporation shall be carried out within 15 months from the date of obtaining approval from CSRC.

Chapter 5 DIRECTORS AND BOARD OF DIRECTORS

Section 1 General Provisions for Directors

Article 107 The director of the Company shall be a natural person. A person shall not serve as a director of the Company upon the occurrence of any of the following events:

- (1) the person is without civil capacity or with restricted civil capacity;
- (2) the person has been convicted for offence(s) due to corruption, bribery, taking of property, misappropriation of property or destruction of the socialist market economic order, and has been sentenced to criminal punishment; or has been deprived of their political rights due to criminal offence, where less than 5 years have elapsed since the date of the completion of implementation of this deprivation, or who were granted probation, where less than two years have lapsed since the expiration of the probationary term;
- (3) the person is a former director, factory director or managers of a company or corporate entity which has become bankrupt and been liquidated and be personally liable for the bankruptcy of such company or corporate entity, where less than 3 years have elapsed since the date of the completion of the bankruptcy and liquidation of such company or corporate entity;
- (4) the person is a legal representative of a company or corporate entity which had its business license revoked and has been ordered to close down due to violation of the laws and be personally liable, where less than 3 years have elapsed since the date of the revocation of the business license of such company or corporate entity and was ordered to close down;
- (5) the person has a large amount of debt due and outstanding and is listed as a mala fide judgment debtor by a people's court;
- (6) the person is under a penalty of prohibited access to the securities market imposed by the CSRC, which penalty still remains effective;
- (7) the person has been publicly identified by a stock exchange as unsuitable for serving as a director, member of the senior management, etc., of a listed company, where the restriction period has not expired;
- (8) such other matters stipulated by the laws, administrative regulations, departmental rules or securities regulatory rules of the place where the Company's shares are listed.

If the election or appointment of a director has violated this Article, such election, appointment or employment shall be invalid. If any of the circumstances under this Article occurs during the period of employment of a director, the Company shall dismiss the director from his duties and cease their performance of duties.

Article 108 Directors are elected or replaced at the general meeting, and may be removed by way of an ordinary resolution at a general meeting before the expiry of his term of office. The term of office of a director shall be three years and upon the expiration of his term, a director is eligible for re-election. The employee representative director shall be elected by the Company's employees at the employee representatives' meeting, employee meeting or otherwise democratically without submission to the general meetings for consideration.

The term of office of a director shall commence from the date on which the said director assumes office and end at the expiration of the term of the current session of the Board. If the term of office of a director expires but re-election is not made responsively, the original director shall continue to fulfill the duties as director pursuant to laws, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and these Articles until a new director is elected. The period for service of notices in writing by shareholders to the Company of the intention to propose a candidate for election as a director in accordance with these Articles and of such candidate's consent to be elected shall be at least 7 days, which shall commence from the day after the dispatch of the notice convening the general meeting for the election of directors and shall end on the date which is 7 days prior to the date of such general meeting.

Senior management officers can act as directors concurrently, provided that the aggregate number of the directors who concurrently serve as senior management officers and directors who are employee representatives shall not exceed one half of the total number of directors of the Company.

Article 109 Directors shall comply with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles, and owe the following fiduciary obligations to the Company, and shall take measures to avoid conflicts between his/her own interests and the interests of the Company, and must not use his/her powers to seek improper benefits.

Directors shall owe the following fiduciary obligations to the Company:

- (1) not to misappropriate the Company's assets or misappropriate the Company's funds;
- (2) not to set up accounts in his/her own name or in the names of others, for depositing the funds of the Company;
- (3) not to abuse his/her functions and powers to bribe or accept other illegal income;
- (4) not to enter into any contract or transaction, directly or indirectly, with the Company without reporting to the Board or the general meeting and being approved by a resolution of the Board or the general meeting in accordance with these Articles;
- (5) not to abuse his/her position to seize business opportunities for himself/herself or for other parties which should otherwise belong to the Company, except when reported to the Board or the general meeting and approved by a resolution of the general meeting, or when the Company, according to laws, administrative regulations, or the provisions of these Articles, cannot utilize such business opportunities;

- (6) not to operate a business, whether by himself/herself or for other parties, in the same nature of businesses operated by the Company, without reporting to the Board of Directors or the general meeting and obtaining approval through a resolution of the general meeting;
- (7) not to keep commissions derived from transactions between others and the Company;
- (8) not to disclose confidential information of the Company without authorisation;
- (9) not to prejudice the interests of the Company by taking advantage of his/her connected relationship;
- (10) other fiduciary obligations as required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Any income gained by the directors in violation of this provision shall belong to the Company; if any losses are caused to the Company due to such violation, the directors shall bear the liability for compensation.

Immediate family members of directors and senior management, enterprises directly or indirectly controlled by directors, senior management or their immediate family members, and related parties with other connected relationships with directors and senior management, when entering into contracts or conducting transactions with the Company, are subject to the provisions of item (4) of the second paragraph of this Article.

Article 110 Directors shall comply with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the provisions of these Articles, and owe the diligence obligations to the Company, and in performing their duties, shall exercise the reasonable care normally expected of a manager for the best interests of the Company:

Directors owe the following diligence obligations to the Company:

- (1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure that the business operations of the Company comply with the state's laws, administrative regulations and economic policies, and shall not go beyond the scope of business specified in the Company's business license;
- (2) to treat all shareholders fairly;
- (3) to obtain knowledge on the business operation and management of the Company in a timely manner;
- (4) to sign the written confirmation of regular reports of the Company and ensure the truthfulness, accuracy and completeness of the information disclosed by the Company;
- (5) to provide the relevant details and materials in truth to the audit committee, and not to interfere with the audit committee in their exercise of powers;

- (6) other diligence obligations imposed by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 111 A director failing to attend in person and appointing other directors to attend Board meetings for 2 consecutive times shall be deemed to be unable to perform his/her duties. The Board shall propose to the general meeting to remove such director.

Article 112 Directors may resign prior to the expiration of their term of office. A resigning director shall submit a written notice of resignation to the Company, and such resignation shall take effect on the date on which the Company receives the notice of resignation. The Company shall disclose the relevant matter within two trading days.

Where the resignation of a director results in the Board of Directors having less than the statutory minimum number of directors required by laws, or where the resignation of an independent director would result in the number of independent directors in the Board or the relevant designated committees to fall short of the proportion of independent directors required pursuant to the relevant laws and regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles, or where none of the independent directors is an accounting professional, the original director shall continue to fulfill the duties as director pursuant to laws, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles before the new director takes office.

Article 113 The Company has established a director departure management system, specifying safeguard measures to pursue accountability and compensation for unfulfilled public commitments and other outstanding matters. Upon the resignation of directors becoming effective or upon expiration of their term of office, the directors shall complete all handover procedures with the Board. The fiduciary obligations borne by the directors to the Company and shareholders shall not necessarily cease after expiry of the term of his/her tenure. Their obligations to maintain confidentiality of the Company's business confidential information shall remain effective after their departure, until such confidential information becomes public information, and they shall also strictly abide with the obligations of non-competition within the same industry as agreed with the Company. The period of continuance of the other obligations shall be decided in accordance with the principles of fairness and shall depend on the length of the period between the departure and the happening of the relevant event, and the circumstances and terms under which their relationships with the Company are terminated. The liability that a director should bear due to the performance of his/her duties during the term of office shall not be waived or terminated due to his/her departure.

Article 114 The general meeting may resolve to remove a director, with the removal taking effect on the date the resolution is made.

A director who is removed before the expiration of the term of office without just cause may request compensation from the Company.

Article 115 No director may act in his own name on behalf of the Company or of the Board of Directors unless pursuant to the provisions of these Articles or with the lawful authorisation of the Board of Directors. In the course of acting in his own name, a director shall state his position and identity insofar as a third party may reasonably believe that such director is acting on behalf of the Company or the Board of Directors.

Article 116 If a director, in carrying his/her duties of the Company, causes damage to others, the Company shall be liable for compensation; if the director acted with intention or gross negligence, he/she shall also be liable for compensation.

Any director in breach of laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the provisions of these Articles in carrying the duties of the Company and thereby causing losses to the Company, shall bear the responsibility for compensation.

Section 2 Board of Directors

Article 117 The Company shall establish a Board of Directors, and the Board shall comprise no more than 18 directors, of which the proportion of independent directors shall not be less than one-third of the members of the Board of Directors. The Company shall have one chairman, and may have a vice chairman. The Company shall have one employee representative director. The chairman and vice chairman shall be elected by the Board with the approval of more than half of all directors.

Article 118 The Board of Directors shall exercise the following functions and powers:

- (1) to convene general meetings and report its work in general meetings;
- (2) to implement resolutions passed by general meetings;
- (3) to determine operational plans and investment proposals of the Company;
- (4) to formulate proposals for profit distribution and for recovery of losses of the Company;
- (5) to formulate proposals for increase or reduction of registered capital of the Company, issue of bonds or other securities and their listing;
- (6) to draw up proposals for material acquisition, purchase of the Company's shares or merger, demerger, dissolution and conversion in respect of the Company;
- (7) to determine external investments, acquisitions and disposals of assets, charges on assets, guarantees to external parties, entrustment of financial management, connected transactions and financial assistance to external parties of the Company within the scope authorised by general meetings;
- (8) to determine the establishment of internal management authority of the Company;
- (9) to decide on the appointment or removal of the general manager of the Company, secretary to the Board and other senior management officers and determine their remunerations, rewards and punishments; to decide on the appointment or removal of deputy general managers of the Company, financial controllers and other senior management officers of the Company based on the nominations of the general manager, and to decide on their remunerations, rewards and punishments;
- (10) to formulate the basic management system of the Company;

- (11) to formulate proposals for amendments to these Articles;
- (12) to manage the information disclosure of the Company;
- (13) to propose to the general meeting the appointment or change of the accounting firm which performs audit of the Company;
- (14) to listen to work reports submitted by the general manager and review his work;
- (15) other functions and powers conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, these Articles or general meetings.

Article 119 The Board of the Company shall give explanations to the shareholders' general meetings in respect of the non-standard opinion in the auditors' report issued by the certified public accountants in respect of the financial reports of the Company.

Article 120 The Board of Directors shall formulate the rules of procedure for meetings of the Board of Directors to ensure the implementation by the Board of Directors of the resolutions of general meeting, to improve efficiency and to have scientific decision-making. The rules of procedures for the Board of Directors shall be appended to these Articles. It shall be formulated by the Board of Directors and approved by the general meeting.

Article 121 The Board of Directors shall determine the authorisation relating to external investment, purchase and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions and donations, and shall establish strict examination and decision-making procedure; and organise relevant experts and professionals to make assessments on material investment projects and report to the general meeting for approval.

Transactions of the Company that triggers the requirements of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Board of Directors' review criteria stipulated in these Articles shall be submitted to the Board of Directors for consideration.

Article 122 When the Company is being acquired, for the protection of the stable development of the Company and the interest of the shareholders as a whole, the directors of the Company shall engage professional organisations including independent financial adviser to analyse the financial condition of the Company and make recommendations on matters such as the fairness and reasonableness of the conditions of the acquisition and the impact of the acquisition on the Company, shall issue the relevant announcement.

The directors may report to the relevant competent authority or bring an action against the acquiring party to the Court when the acquiring party is in breach of the relevant obligations of disclosure provided in the Administrative Rules for Listed Companies Acquisition (《上市公司收購管理辦法》) or other provisions of the relevant laws and regulations.

When the Company is being acquired and merged or any material adjustment is being made by the acquirer to the Company's management, the Board of Directors of the Company shall seek and take advice from the labour union and the employee representatives meeting of the Company.

Article 123 The chairman of the Board shall exercise the following functions and powers:

- (1) To preside over the general meetings, and to convene and preside over the Board meetings;
- (2) To supervise and inspect the implementation of the Board's resolutions;
- (3) To sign important documents of the Board;
- (4) To preside the daily operation of the Board during the recess period of the Board;
- (5) To exercise other powers vested by the Board.

Article 124 The vice chairman shall assist the chairman of the Board in work. When the chairman of the Board is unable to or fails to perform his duties, the vice chairman of the Board shall perform the relevant duties of the chairman, and where the vice-chairman of the Board is unable to or fails to perform his duties, the members of the Board may appoint a director by a simple majority of votes to perform the duties of the chairman.

Article 125 Regular Board meetings shall be held at least twice a year. Such meetings shall be convened by the chairman of the Board by giving notice in writing to all Directors and supervisors 14 days before the convening of the meetings.

Article 126 A proposal to convene an extraordinary Board meeting may be made by shareholders representing more than 10% of the voting rights, by more than one-third of the directors or by the audit committee. The chairman shall convene and preside over such a Board meeting within ten days after receipt of the proposal.

Article 127 The notification method, notification period of meeting of the Board of Directors (including the extraordinary Board meetings) shall satisfy the requirements as follows:

- (1) When convening a regular Board meeting, the chairman shall authorise the secretary to the Board to give notice to all directors by e-mail, facsimile, or personal delivery no less than 14 days prior to the date of such meeting.
- (2) When convening an extraordinary Board meeting, the chairman shall authorise the secretary to the Board to notify all directors by way of email, fax or personal delivery no less than 2 days prior to the extraordinary Board meeting.

Article 128 The notice of meetings of the Board of Directors shall include the following:

- (1) the time and venue of the meeting;
- (2) the duration of the meeting;
- (3) the reasons for holding the meeting and the matters to be discussed;
- (4) the date on which the notice is sent.

Article 129 Board meetings may be held only if attended by more than one-half of the directors (including directors who have appointed in writing other directors to attend the Board meeting on his behalf under these Articles). Each director shall be entitled to one vote. Resolutions of the Board of Directors must be passed by the affirmative vote of more than one-half of all directors.

Article 130 The director of the Company connected with the enterprise or individual involved in the resolutions of the Board meetings, the director shall promptly report in writing to the Board of Directors. Directors with related relationship shall not exercise his own, or represent other directors to exercise voting right on such resolutions. Such Board meeting may be held if more than half of the unconnected directors to be present. The resolution made by the Board of Directors shall be passed by more than half of all such unconnected directors. Where there are fewer than three unconnected directors present at the Board meeting, the relevant matters shall be forwarded to a general meeting of the Company for consideration.

Article 131 A vote at the Board meetings shall be taken by named vote or by show of hands.

The Board meetings may be convened and the voting can be made by means of physical meetings, through communication devices and a combination of physical meeting and through the usage of communication devices.

Except for regular Board meetings, the Company's Board meetings may also be convened by way of written resolutions whereby a resolution may be passed through delivering or circulating a pending resolution separately. A director shall indicate clearly his approval of, abstaining from or objection to the resolution. Such written resolution may consist of several documents. A resolution which is signed by one or more directors or their proxies, by the number of directors required for passing a resolution according to these Articles, shall be deemed legal and effective. A resolution signed by a director or his proxy and delivered by way of email, fax or personal delivery shall be deemed to be signed by such director.

Article 132 Directors shall attend any Board meeting in person. Where a director is unable to attend, he may, by way of a written power of attorney, authorise another director to attend the Board meeting on his behalf. The power of attorney shall state the name of the attorney, the subject matter, scope of authorisation and duration of validity, and shall be signed or sealed by the appointer.

The director attending the meeting for another director shall exercise the rights of such director within the scope of authorisation. Any director who is unable to attend a particular Board meeting and has not authorised a proxy to attend on his behalf shall be deemed as waiving the right to vote at such meeting.

Article 133 The Board of Directors shall keep minutes of decisions on matters considered at the meetings, which shall be signed by the directors attending the meeting, the secretary to the Board and the person preparing the minutes. Minutes of the Board meetings shall be kept at the Company's residence in China. Minutes of the Board meeting shall be kept for not less than 10 years.

Article 134 The minutes of Board meetings shall include the following matters:

- (1) the date, venue and the name of the convenor of the meeting;
- (2) the name of the director present and name of director (attorney) being appointed to attend on the other director's behalf;

- (3) the agenda;
- (4) the main points of directors' speeches;
- (5) the voting method and the result of each proposal (with the numbers of votes casting for and against a proposal as well as abstention votes specified).

Section 3 Independent Directors

Article 135 The independent Directors shall conscientiously perform their duties, play the roles of participating in the decision-making, supervising, checking and balancing, and professional consulting in the Board, safeguard the interests of the Company as a whole, and protect the lawful rights and interests of medium and small shareholders in accordance with the laws, administrative regulations, regulations of the CSRC, the listing rules of the stock exchange where the Company's shares are listed and these Articles.

Article 136 Independent Directors shall maintain their independence, and the following persons shall not serve as independent Directors of the Company:

- (1) Persons working for the Company or its subsidiaries, their spouses, parents and children, and major social relations;
- (2) Natural person shareholders who directly or indirectly hold more than 1% of the Company's issued shares or who are among the Company's top ten shareholders, and their spouses, parents and children;
- (3) Persons who work for shareholders who directly or indirectly hold more than 5% of the Company's issued shares or who work for entities of the Company's top five shareholders, and their spouses, parents, and children;
- (4) Persons serving in the subsidiaries of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;
- (5) Persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in entities with which they have significant business dealings and their controlling shareholders or de facto controllers;
- (6) Persons providing financial, legal, consulting and sponsorship and other services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries; including, but not limited to, all members of the project team of the intermediaries providing the services, reviewers at all levels, persons signing the report, partners, Directors, senior management and principals;
- (7) Persons who have been in the situations listed in clauses (1) to (6) within the last twelve months;
- (8) Other persons who do not possess independence as stipulated by laws, administrative regulations, regulations of the CSRC, securities regulatory rules of the place where the Company's shares are listed and these Articles.

The affiliated enterprises of the controlling shareholders or de facto controllers of the Company as mentioned in clauses (4) to (6) of the preceding paragraph shall not include an enterprise controlled by the same state-owned assets management authority as the Company and not affiliated with the Company according to the relevant provisions.

Independent Directors shall conduct an annual self-examination of independence and submit the self-examination to the Board. The Board shall evaluate and issue a special opinion on the independence of the incumbent independent Directors on an annual basis, which shall be disclosed at the same time as the annual report.

Article 137 An independent Director shall meet the following conditions:

- (1) Being qualified to be the Director of the listed Company in accordance with laws, administrative regulations and other relevant provisions;
- (2) Having the independence required by these Articles;
- (3) Having the basic knowledge of operation of the listed Company and being familiar with the relevant laws, rules and regulations;
- (4) Having at least five years of working experience in law, accounting or economics necessary for performing the duties of an independent Director;
- (5) Having good personal integrity and no major breach of trust or other adverse records;
- (6) Other conditions stipulated by laws, administrative regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 138 As members of the Board, independent directors have the duty of faith and diligence to the Company and all shareholders and shall prudently perform the following duties:

- (1) Participate in the Board's decision-making and express specific opinions on matters under deliberation;
- (2) Supervise any potential significant conflict of interests between the Company and its controlling shareholder, de facto controller, directors and senior management officers and protect legitimate rights and interests of small and medium shareholders;
- (3) Provide professional and objective suggestions on the operations and development of the Company and help raise the decision-making levels of the Board;
- (4) Other duties prescribed by laws, regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 139 Independent directors shall exercise the following special authorities:

- (1) Independently engage intermediaries to audit, advise on or check the specific matters of the Company;

- (2) Propose extraordinary general meetings to the Board;
- (3) Propose to hold Board meetings;
- (4) Solicit shareholder rights from shareholders publicly according to law;
- (5) Express independent opinions on matters potentially detrimental to interests of the Company or small and medium shareholders;
- (6) Other authorities prescribed by laws, regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Exercise of any of authorities set forth in Item (1) through Item (3) of the preceding provisions by any independent director shall be subject to consent of more than half of all independent directors.

The Company shall promptly disclose where any independent director exercises any authorities set forth in the first paragraph. If the aforesaid authorities cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Article 140 The following matters shall be submitted to the Board for deliberation after being consented to by more than half of all independent directors of the Company:

- (1) Related-party transactions that should be disclosed;
- (2) Plan for change or waiver of commitments by the Company and relevant parties;
- (3) Decisions made and measures taken by the board of directors of a listed company acquired in response to the acquisition;
- (4) Other matters prescribed by laws, regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 141 The Company established a special meeting mechanism consisting solely of independent directors. Where the Board deliberates related-party transactions and other matters, prior approval shall be obtained from the special meeting of independent directors.

The Company holds special meetings of independent directors on a regular or irregular basis. Item (1) through Item (3) in respect of the exercise by the independent directors of the special authorities provided for in these Articles, as well as matters that should be agreed by a majority of all the independent directors of the Company, shall be subject to deliberation by special meetings of independent directors.

Special meetings of independent directors may study and discuss other matters of the Company as needed.

Special meetings of independent directors shall be convened and held by an independent director elected by more than half of independent directors; when the convener fails to or becomes unable to perform his duties, two or more independent directors may convene and elect a representative to chair a special meeting by themselves.

Special meetings of independent directors shall produce meeting minutes according to provisions, indicating the opinions of independent directors. Independent directors shall sign the meeting minutes.

The Company shall provide facilities and support for conduct of special meetings of independent directors.

Section 4 Specialised Committees under Board of Directors

Article 142 The Board of Directors of the Company has established an audit committee to exercise the powers and functions of the supervisory committee as stipulated in the Company Law.

Article 143 The audit committee shall consist of 3-7 members, who are directors who do not serve as senior management of the Company, of whom more than half shall be independent directors, with an accounting professional among the independent directors serving as the convener.

Article 144 The audit committee is responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the Board for deliberation after being consented to by more than half of all members of the audit committee:

- (1) Disclosure of financial information and internal control evaluation reports in the financial and accounting reports and periodic reports;
- (2) Appointment or dismissal of the accounting firm that undertakes the Company's auditing business;
- (3) Appointment or dismissal of the Company's financial controller;
- (4) To make changes in accounting policies, accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (5) Other matters prescribed by laws, regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 145 The audit committee shall hold meeting at least once every quarter. The audit committee may hold interim meeting when necessary. An interim meeting may be held when two members so propose or the convener deems necessary. The audit committee's meetings shall be held only when at least two thirds of members are present.

Resolutions made by a meeting must be passed by more than half of all members in order to take effect.

Each member shall have one vote for voting on resolutions of the audit committee.

Resolutions of the audit committee shall be produced into meeting minutes according to provisions, which shall be signed by all members of the audit committee present at the meeting.

The Board of Directors is responsible for the compilation of the rules of procedure of the audit committee.

Article 146 The Board of Directors of the Company shall set up strategic development and investment committee, nomination committee, remuneration committee and environmental, social and governance (ESG) committee. These committees shall be authorised by these Articles of Association and the Board of Directors to perform their duties, and the resolutions proposed by these special committees shall be submitted to the board of directors for consideration and approval. The detailed working rules of these special committees shall be formulated by the Board of Directors. The nomination committee and the remuneration committee shall comprise a majority of independent directors and shall be convened by an independent director.

Article 147 The strategic development and investment committee is responsible for conducting research and making recommendations on the Company's long-term development strategies and major investment decisions.

Article 148 The nomination committee shall be responsible for developing the standards and procedures for the selection of directors and senior management, selecting and reviewing the candidates for directors and senior management and their qualifications, and making recommendations to the Board of Directors on:

- (1) nomination, appointment, and removal of directors;
- (2) appointment or dismissal of senior management;
- (3) Other matters prescribed by laws, regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

If the Board of Directors fails to adopt or fails to fully adopt the recommendations of the nomination committee, it shall record the opinions of the remuneration appraisal and nomination committee and the specific reasons for non-adoption in the resolutions of the Board of Directors, and make disclosures accordingly.

Article 149 The remuneration committee is responsible for formulating the evaluation criteria for directors and senior management and conducting the evaluation, preparing and reviewing the remuneration policies and programs for directors and senior management such as the mechanism for determining the remuneration of directors and senior management, the decision-making process, and the arrangements for the payment and stoppage of recourse, and making recommendations to the Board of Directors on the following matters:

- (1) The remuneration of directors and senior management;
- (2) Formulating or changing the share incentive scheme and employee share ownership scheme, granting of rights and benefits to the targets of the incentives and fulfillment of the conditions for exercising the rights and benefits;
- (3) Arranging share ownership schemes for directors and senior management in the subsidiaries proposed to be spun off;
- (4) Other matters prescribed by laws, regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the remuneration committee, it shall record the opinion of the remuneration committee and the specific reasons for not adopting in the resolution of the Board of Directors and disclose the same.

Article 150 The Environmental, Social and Governance (ESG) Committee is responsible for reporting to the Board on the Company's work relating to ESG.

Chapter 6 SENIOR MANAGEMENT OFFICERS

Article 151 The Company shall have one general manager, who shall be employed or dismissed at the discretion of the Board of Directors; the Company shall also have a number of deputy general managers who shall be employed or dismissed at the discretion of the Board of Directors.

Article 152 The provisions of these Articles concerning ineligibility for serving as a director and separation management shall apply to senior management officers at the same time.

The provisions of these Articles regarding the duty of loyalty and diligence of directors shall also apply to senior management officers at the same time.

Article 153 A person who holds an executive position other than as a director and supervisor in the controlling shareholder of the Company shall not act as a senior management officer of the Company.

The senior management officers of the Company shall receive salaries only from the Company and not from the controlling shareholder on its behalf.

Article 154 The term of office of the general manager shall be 3 years and may be re-appointed.

Article 155 The general manager shall be accountable to the Board and exercise the following functions and powers:

- (1) To preside over the Company's production, operation and management, to organise the implementation of the resolutions of the Board and to report his/her work to the Board;
- (2) To organise the implementation of the Company's annual business plans and investment proposals;
- (3) To draft proposals for the establishment of the Company's internal management structure;
- (4) To establish the Company's basic management system;
- (5) To formulate the basic rules of the Company;
- (6) To propose the appointment and dismissal of the Company's deputy general manager(s) and financial controller(s) to the Board;
- (7) To decide on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board;

- (8) To convene and preside over the office meeting of general manager;
- (9) To determine the awards and punishments, promotion and demotion, increase or reduction of salaries, appointment, employment, dismissal, and discharge of the staff and workers of the Company with the authorisation of the Board or within the scope required by the Company;
- (10) To exercise the right of security, leasing or subcontracting of the Company's assets with the authorisation of the Board or within the scope required by the Company;
- (11) Other powers conferred by these Articles and the Board.

The general manager may be present at Board meetings.

Article 156 The general manager shall formulate his/her working rules, which shall come into effect upon approval by the Board of Directors.

Article 157 The working rules of general manager shall contain the following:

- (1) Conditions for the convening of and the procedure for the general manager's meeting, and the personnel to attend the meeting;
- (2) Specific duties and division of work of the general manager and other senior management;
- (3) The authority to utilize the Company's funds and assets and to enter into material contracts, and the reporting system to the Board of Directors and the Supervisory Committee;
- (4) Other matters which the Board of Directors considers necessary.

Article 158 The general manager and other senior management officers may tender his/her resignation before the expiry of his/her term of office, a written report of resignation shall be submitted. The specific procedures and measures of resignation of the senior management members shall be subject to related labour contract between the above personnel and the Company.

Article 159 The deputy general manager(s) and financial controller(s) shall be nominated by a general manager and employed or dismissed by the Board of Directors. The term of office of any general manager, deputy general manager and financial controller shall be the same as that of the Board of Directors. The deputy general manager(s) and financial controller(s) shall assist the general manager and are responsible and accountable to the general manager.

Article 160 The Company shall have a secretary to the Board. The secretary to the Board of Directors is responsible for the preparation and documentation of general meetings and Board meetings of the Company, as well as the management of shareholders' information of the Company, information disclosure matters and other matters.

The secretary to the Board of the Directors shall abide by the relevant provisions of the laws, administrative regulations, department rules, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Article 161 In the event that the shares of the Company are listed on the Hong Kong Stock Exchange, the Company may have a company secretary qualified under the requirements of the Hong Kong Stock Exchange to handle the relevant matters.

Article 162 If a senior management officer of the Company causes damage to others while performing his/her duties, the Company shall bear liability for compensation; if a senior officer of the Company does so with intent or gross negligence, he/she shall also be liable for compensation.

Any loss incurred by the Company as a result of the violation of laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association by the senior management in performing the Company's duties shall be indemnified by the senior management officers.

Article 163 The senior management officers of the Company shall fulfill their duties faithfully, and protect the best interests of the Company and all the shareholders.

Should the senior management officers of the Company fail to faithfully fulfill their duties or violate their fiduciary duty, thereby causing damage to the interests of the Company and the public shareholders, they shall bear the liability for compensation in accordance with the laws.

Chapter 7 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting System

Article 164 The Company shall formulate its own financial and accounting system in accordance with the relevant requirements of laws, administrative regulations and the PRC accounting standards formulated by the finance regulatory department of the State Council.

Article 165 The financial and accounting reports in the Company's annual report shall be audited by an accounting firm.

Article 166 The Company shall file and disclose its annual report to the delegated authority of CSRC and the stock exchange within four months from the end of each financial year; and shall file and disclose its interim report to the regional office of CSRC and the stock exchange within two months from the end of the first half of each financial year.

The aforesaid annual reports and interim reports shall be prepared in accordance with the relevant laws, administrative regulations, requirements of the CSRC and the stock exchange.

Where the regulatory authority of the place where the Company's overseas shares are listed stipulates otherwise, such provisions shall prevail.

Article 167 The Company shall not keep financial accounts other than those required by laws.

The Company's assets shall not be deposited in an account maintained in the name of any individual.

Article 168 Where the Company distributes its after-tax profits for a given year, the Company shall allocate 10% of the profits to its statutory common reserve fund. Allocation to the Company's statutory common reserve fund may cease once the cumulative amount of reserves therein exceeds 50% of the company's registered capital.

Where the statutory common reserve fund of the Company is insufficient to cover the Company's losses from prior years, the current year profit shall be used to cover such losses before allocation is made to the statutory common reserve fund pursuant to the preceding paragraph.

Subsequent to the allocation of after-tax profits to the statutory common reserve fund by the Company, and a resolution of the general meeting, allocation may be made to the discretionary common reserve fund.

Subsequent to making up for losses and allocations to the common reserves fund, the after-tax profit shall be distributed to the shareholders in proportion to their shareholdings.

If the general meeting distributes profit to shareholders in violation of the Company Law, the shareholders shall return such distributed profits to the Company; if losses are caused to the Company, shareholders and directors and senior management officers held accountable shall be liable for damages.

Profit shall not be distributed in respect of the Company's shares held by the Company.

Article 169 Profit distribution plan of the Company shall be drafted by the Board of Directors and submitted to the general meeting for consideration and approval. When the profit distribution plan is considered at the general meeting, a variety of channels shall be provided for communications and exchanges with shareholders (in particular, the minority shareholders), whose opinions and demands shall be fully heard.

Notwithstanding the aforesaid provisions, pursuant to the authorisation given by the shareholders of the Company to the Board of Directors at the general meeting of each year, the Board of Directors may, prior to the next annual general meeting, distribute the interim dividend, in the amount as they may think fit in view of the Company's earnings, to shareholders of the Company from time to time without prior approval from the general meeting.

Subsequent to the passing of the resolution in respect of a profit distribution plan by a general meeting, or subsequent to formulation by the Board of Directors the Company of a specific plan in accordance with the conditions and cap of the interim dividend distribution for the following year as considered and approved at the annual general meeting, the distribution of dividends (or shares) shall be completed within two months.

Article 170 The Company may distribute dividend in cash or in specie (or both), and, provided that the conditions of distribution of dividend in cash as required under this provision are met, priority shall be given to distribution of dividend in cash.

The conditions of distribution of dividend in cash are: (1) the Company recording a profit for the year and the distributable profit (i.e. the after-tax profit of the Company after making up for losses, allocation to the common reserve fund) for the year is positive in value; (2) the Company having no major investment plan or significant cash expenditure (excluding fund-raising activities). Such major investment plan or significant cash expenditure refers to the proposed external investment by the Company with accumulated expenditure within the next twelve months amounting to or exceeding 50% of the latest audited net assets of the Company, or the proposed asset acquisition or facilities procurement by the Company with accumulated expenditure within the next twelve months amounting to or exceeding 30% of the latest audited total assets of the Company; and (3) the Company's funding needs for normal production and operation having been satisfied.

The conditions of distribution of dividend in specie are: provided that reasonable scale of share capital of the Company is ensured, the Company may distribute dividend in specie according to its accumulated distributable profit, common reserve fund and cash flow position.

The Company shall distribute profit at least once a year, and the accumulated profit distribution made in cash by the Company in the latest three years shall not be less than 30% of the average annual distributable profit realised in the latest three years.

Dividends or other distributions for ordinary shares shall be denominated in Renminbi. The profit distribution policy of the Company should focus on the reasonable investment return of the investors while ensuring the Company's sustainable development and maintaining sustainability and stability.

Dividends or other cash distributions for A shares shall be paid in Renminbi.

Dividends or other cash distributions for H shares shall be paid in Hong Kong dollar in accordance with the requirements of the state administration of foreign exchange of the PRC. The exchange rate to be used for the conversion shall be the average closing exchange rate of Hong Kong dollars against Renminbi for each of the business days during the week prior to the declaration date as quoted by the People's Bank of China or other exchange rates required or permitted by other laws or regulations decided by the Board of Directors.

Article 171 The objective of the Company's cash dividend policy is to establish a continuous and stable return mechanism for investors, taking into account its own profitability and the actual needs of its future business development strategy.

If the audited financial report of Company for the most recent year is not unqualified or contains qualified opinion on material uncertainties related to continuous operations, or there occurs any circumstances that the Company considers render a distribution of profit inappropriate, the Company may choose not to distribute profit.

Article 172 If, due to significant changes in the Company's operating conditions, investment planning and needs for long-term development, it is necessary to adjust the profit distribution policy as set out in these Articles, the Board of Directors of the Company shall submit a proposal for adjustment to the profit distribution policy based on actual circumstances. The adjusted profit distribution policy shall focus on protecting the interests of the shareholders and shall not violate the relevant requirements of the China Securities Regulatory Commission and the Stock Exchange. The adjustment of profit distribution policy shall be subject to consideration and approval by more than two-thirds of the voting rights represented by the shareholders present at the general meeting.

Article 173 The common reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation, or be converted to increase the Company's registered capital.

When the capital reserve is used to make up the Company's losses, the discretionary reserve and statutory reserve shall be first used; if the losses can still not be covered, the capital reserve may be used according to provisions.

When the statutory reserve fund is converted into registered capital, the balance of such reserve fund must not fall below 25% of the registered capital of the Company before the conversion.

Section 2 Internal Audit

Article 174 The Company shall establish an internal audit system, which shall specify the leadership system, duties and responsibilities, staffing, financial security, utilisation of audit results and accountability for internal audit work.

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

Article 175 The Company's internal audit institution shall conduct supervision and inspection of its business activities, risk management, internal control, financial information and other matters.

The internal audit institution shall maintain its independence, be staffed with full-time audit personnel, and shall not be placed under the leadership of the finance department or co-located with the finance department.

Article 176 The internal audit institution shall be accountable to the Board.

The internal audit institution shall accept the supervision and guidance of the audit committee during the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information. The internal audit institution shall immediately report directly to the audit committee upon discovering any relevant major issues or clues.

Article 177 The internal audit institution shall be responsible for the organisation and implementation with regard to the evaluation of the Company's internal control. The Company shall release an annual internal control evaluation report based on the evaluation report and related information issued by the internal audit institution and reviewed by the audit committee.

Article 178 When the audit committee communicates with external audit units such as accounting firms and national audit institutions, the internal audit institution shall actively cooperate and provide essential support and collaboration.

Article 179 The audit committee shall participate in the evaluation of the person in charge of internal audit.

Section 3 Appointment of Accounting Firm

Article 180 The Company shall engage accounting firms that complies with the requirements of the Securities Law to conduct the auditing of accounting statements, verification of net assets and other related consultation services, and the term of appointment is one year which shall be renewable.

Article 181 The appointment or dismissal of the accounting firm by the Company shall be resolved by the general meeting. The Board of Directors shall not engage any accounting firm prior to the decision of the general meeting.

Article 182 The Company shall warrant to provide true and complete accounting evidence, books, financial and accountant reports and other accounting information to the accounting firm it engaged and shall not refuse to provide or hide such information or provide false information.

Article 183 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined in general meeting.

Article 184 Prior to the removal or the non-reappointment of the accounting firm, the Company shall give the accounting firm 10 days notice, and the accounting firm shall be allowed to make representation when the Company's general meeting votes on the dismissal of the accounting firm. Where the accounting firm resigns its post, it shall make clear to the general meeting whether there has been any circumstances of impropriety on the part of the Company.

Chapter 8 MERGER, DEMERGER, CAPITAL INCREASE, REDUCTION OF CAPITAL, DISSOLUTION AND LIQUIDATION

Section 1 Merger and Demerger and Capital Increase and Reduction of Capital

Article 185 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

If a company merges by absorption of another company, the company which is absorbed shall be dissolved. If two or more companies merge by forming a new corporation, the original companies will be dissolved.

Article 186 Where the consideration for the merger payable by the Company does not exceed 10% of the net assets of the Company, the merger is not subject to the approval of general meeting, unless otherwise provided in these Articles.

Any merger of the Company not subject to the approval of general meeting under the preceding paragraphs shall be subject to the approval of the board of directors.

Article 187 In the event of a merger of the Company, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the resolution of the merger and issue an announcement on the designated media or the National Enterprise Credit Information Publication System within 30 days from the date of the resolution.

The creditors may require the Company to pay its debts or provide the corresponding guarantee within 30 days from the receipt of notice, or within 45 days from the date of announcement if it does not receive the notice.

Article 188 During the merger of the Company, rights in relation to debts and liability of each of the merged parties shall be assumed by the company which survives the merger or the newly established company.

Article 189 Where there is a demerger of the Company, its assets shall be divided accordingly.

In the event of a demerger of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors of the demerger resolution within 10 days from the date of the demerger resolution and make the relevant public announcements on the designated media or the National Enterprise Credit Information Publication System within 30 days from the date of the demerger resolution.

Article 190 The liabilities of the Company prior to the demerger shall be assumed on a joint and several basis by the companies formed following the demerger, unless otherwise agreed in writing in respect of debt settlement by the Company prior to the demerger with the creditors.

Article 191 When the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days of the making of resolution of the general meeting to reduce the registered capital and issue an announcement on the designated media or the National Enterprise Credit Information Publication System within 30 days of the making of resolution. The creditors shall have the right to require the Company to pay its debts or provide the corresponding guarantee within 30 days from the receipt of the notice, or within 45 days from the date of the announcement in the case of no receipt of the notice.

If the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the shares held by its shareholders, unless otherwise provided by law or the Articles of Association.

Article 192 If the Company still has losses after used the provident fund to make up for them in accordance with the provisions of these Articles, it may reduce its registered capital to make up for the losses. Where the registered capital is reduced to make up for losses, the Company shall not make distributions to shareholders, nor shall it exempt shareholders from their obligations to make capital contributions or pay for shares.

Where the registered capital is reduced in accordance with the preceding paragraph, the provisions of paragraph 2 of the preceding Article are not applicable but an announcement shall be made within 30 days from the date of the resolution to reduce the registered capital on the designated media or in the National Enterprise Credit Information Publication System.

After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the accumulated amount of the statutory reserve and the discretionary reserve reaches 50% of the Company's registered capital.

Article 193 In the event that the registered capital is reduced in violation of the Company Law and other relevant regulations, the shareholders shall return the funds received and the original status shall be restored if the shareholders' capital contribution is reduced or exempted; if the Company suffers losses, the shareholders and responsible directors and senior management shall be liable for compensation.

Article 194 When the Company issues new shares for the purpose of increasing its registered capital, the shareholders shall not be entitled to pre-emptive rights, unless otherwise provided for in these Articles or determined by a resolution of the general meeting that the shareholders shall be entitled to pre-emptive rights.

Article 195 Changes in registration particulars of the Company caused by merger or demerger must be registered with the relevant administrative authorities for securities under the State Council in accordance with laws. Cancellation of a company shall be registered in accordance with the laws when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with laws.

The Company shall register the change with company registration authorities in accordance with the law for an increase or a reduction in registered capital.

Section 2 Dissolution and Liquidation

Article 196 The Company shall be dissolved for the following reasons:

- (1) the term of operation prescribed by the Articles of Association has expired, or any other cause for dissolution prescribed by the Articles of Association;
- (2) the general meeting has resolved for a dissolution;
- (3) the dissolution is necessary as a result of merger or demerger of the Company;
- (4) the business license of the Company is revoked by laws, and the Company is ordered to close down or be cancelled;
- (5) there are serious difficulties in the operation and management of the company and the Company's continuance will definitely cause significant losses to shareholders' interests and cannot be solved through other channels. Shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the People's Court to dissolve the Company.

In the event of occurrence of any cause leading to the dissolution of the Company as stipulated in the preceding paragraph, such dissolution cause shall be published on the National Enterprise Credit Information Publicity System within 10 days upon its occurrence.

Article 197 In the event that the Company encounters the circumstances mentioned in clauses (1) and (2) of the preceding Article and has not yet distributed its property to its shareholders, the Company may survive by amending these Articles or by resolution of the shareholders at the general meeting.

The amendment to these Articles in accordance with the previous paragraph or by resolution of the shareholders at the general meeting shall be passed by the shareholders present at the meeting representing more than two-thirds of the voting rights.

Article 198 If the Company is dissolved pursuant to clauses (1), (2), (4), (5) of Article 196, it shall conduct liquidation. Directors shall be liquidators of the Company, a liquidation group shall be formed and liquidation shall commence within 15 days upon the occurrence of the event causing the dissolution.

The liquidation group shall consist of personnel designated by the directors or general meeting.

If the liquidator fails to perform the liquidation obligation in time and causes losses to the Company or creditors, it shall be liable for compensation.

Article 199 The liquidation group shall notify the creditors within 10 days from its formation, and shall issue an announcement on the designated media or the National Enterprise Credit Information Publication System within 60 days.

Creditors shall declare their debts to the liquidation group within 30 days upon the receipt of the notice or, in case no notice has been received, within 45 days upon the date of the announcement.

Creditors shall explain matters relevant to the debts and provide evidences when declaring debts. The liquidation group shall arrange for registration of the debts.

During the period of declaration of debts, the liquidation group shall not pay any debt to the creditors.

Article 200 During the liquidation period, the liquidation group shall exercise the following functions and powers:

- (1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (2) to send notices to creditors or notify them by public announcement;
- (3) to dispose of and liquidate any relevant unfinished business of the Company;
- (4) to pay all outstanding taxes and pay all taxes incurred in the process of liquidation;
- (5) to settle debts and liabilities;
- (6) to distribute the assets remaining after the Company's debts have been repaid;
- (7) to represent the Company in any civil litigation proceeding.

Article 201 The liquidation group shall, after examining the assets and preparing the balance sheet and an inventory of assets of the Company, formulate a liquidation proposal and submit to the general meeting or the People's Court for confirmation.

After settling the liquidation expenses, wages of employees, social insurance expenses and statutory compensation, the outstanding taxes and the debts of the Company, the residual assets of the Company shall be distributed in proportion to shareholding of the shareholders.

During the course of liquidation, the Company shall continue to exist but shall not conduct any business activity irrelevant to the liquidation.

The assets of the Company shall not be distributed to its shareholders before repayment according to the preceding provision.

Article 202 The liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the People's Court for bankruptcy and liquidation in accordance with the laws.

After the bankruptcy application is accepted by the People's Court, the liquidation committee shall prepare and hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

Article 203 Following the completion of liquidation, the liquidation group shall present a report on liquidation, which shall be submitted to the general meeting or the People's Court for confirmation, and submit the aforesaid documents to the relevant companies registration authorities and apply for cancellation of the Company's registration and publish a public announcement of the termination of the Company.

Article 204 Members of the liquidation committee shall, in performing their duties of liquidation, have duties of loyalty and diligence.

If any member of the liquidation committee fails to perform his liquidation duties and causes losses to the Company, the member of the liquidation committee shall be liable for compensation. Where members of the liquidation group cause any loss to the Company or its creditor due to the deliberate acts or significant fault of such members, they shall be liable to pay compensation.

Article 205 If the Company announces bankrupt according to laws, it shall be liquidated in accordance with the relevant laws of enterprise bankrupt.

Chapter 9 AMENDMENTS TO THE ARTICLES

Article 206 The Company shall amend the Articles under any of the following circumstances:

- (1) 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;
- (2) Changes in the state of the Company are inconsistent with the matters provided for in the Articles;
- (3) The general meeting has decided to amend the Articles.

Article 207 If an amendment to the Articles of Association involves matters which require the approval from the competent regulatory authority, it shall be submitted to the competent regulatory authority for approval. Where any amendment(s) to these Articles involve(s) the registration of the Company, an application shall be made for registration of the changes according to laws.

Article 208 The Board of Directors shall amend the Articles of Association according to the resolutions at the general meeting and the regulatory comments of the relevant competent authorities.

Article 209 The amendment to the Articles of Association as required by laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed shall be announced in accordance with the relevant provisions.

Chapter 10 NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 210 Notices of the Company shall be issued by the following means:

- (1) by hand;
- (2) by post;
- (3) by fax, email or other electronic means;
- (4) by publication on the website of the Company and the website designated by The Stock Exchange of Hong Kong Limited, to the extent permitted under the laws and regulations and the regulatory rules in the place(s) where the Company's shares are listed;
- (5) by way of public announcement;
- (6) by other means agreed in advance between the Company and the recipient or such other means as approved by the recipient after being notified;
- (7) by any other means approved by the relevant regulatory authority in the place where the Company's shares are listed or as provided for in the Articles.

Where a notice is given by way of public announcement, all relevant personnel shall be deemed to be served when the announcement is made.

Article 211 Whether or not these Articles has otherwise provided for the delivery methods of any notice, communication or any other written material, regarding the despatch or provision of any corporate communications by the Company to its holders of the overseas listed foreign shares according to the Hong Kong Listing Rules, provided that it is in accordance with the laws and regulations and relevant listings rules at the place(s) where the Company's shares are listed, the Company may despatch or provide corporate communications to its holders of the overseas listed foreign shares by electronic means or by publication on websites.

"Corporate communications" shall mean any documents issued or to be issued by the Company for the information or action of the holders of any of its securities, including but not limited to annual reports (including directors' reports, annual financial statements of the Company, auditors' reports, summary financial reports, etc.), interim reports (including interim financial statements of the Company, summary interim reports, etc.), notices of meeting, listing documents, circulars, proxy forms, and other communication documents.

Article 212 The notice of meeting of general meetings convened by the Company shall be made by public announcement.

Article 213 The notice of meeting of the Board meetings convened by the Company shall be given by e-mail, fax, personal delivery, telephone or any other means provided for in these Articles.

Article 214 If the notice of the Company is given by hand, the recipient shall sign (or seal) on the acknowledgement slip, which date shall be deemed to be the date of delivery; if the notice of the Company is issued by way of public announcement, the date of the first public announcement shall be deemed to be the date of delivery; if the notice of the Company is sent by post, the third working day after delivery to the post office shall be deemed to be the date of delivery. If the notice of the Company is issued by fax or email or publication on websites, the date of issuance shall be deemed to be the date of delivery.

Article 215 The meeting and the resolutions resolved thereat shall not be invalidated only by the accidental omission to give notice of the meeting to, or the failure of receiving such notice by, a person entitled to receive such notice.

Section 2 Announcements

Article 216 China Securities Journal and/or other national newspapers and magazines designated by the relevant administrative authorities for securities under the State Council and other newspapers and magazines designated by the Board of Directors shall be the media for publication of the Company's announcement and disclosure of other information.

Article 217 If the listing rules of the place where the shares of the Company are listed require the Company to send, mail, despatch, deliver, issue or in any other way provide the relevant corporate documents in both Chinese and English, and if the Company has made appropriate arrangements to confirm whether its shareholders wishes to receive the Chinese or English copy only, and to the extent permitted by and in accordance with the applicable laws and regulations, the Company may (in accordance with the wishes of the relevant shareholders) provide only the Chinese or English copy to the relevant shareholders.

Chapter 11 SETTLEMENT OF DISPUTES

Article 218 The Company shall act according to following principles to settle disputes:

- (1) Whenever any dispute or claim of rights arising between shareholders of H Shares and the Company, between shareholders of H Shares and the Company's directors, senior management officers, or between shareholders of H Shares and shareholders of A shares based on these Articles, any rights or obligations conferred by the Company Law and other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims of rights shall be referred by the relevant parties to arbitration.

Where a dispute or claim of rights mentioned above is referred to arbitration, the entire claim of rights or dispute must be referred to arbitration, and all parties who have a cause of action based on the same facts giving rise to the dispute or claim of rights or whose participation is necessary for the resolution of such dispute or claim shall abide by the arbitration, provided that such parties shall be the Company or the Company's shareholder, director or senior management officer.

Disputes in relation to the definition of shareholders and the register of shareholders need not be resolved by arbitration.

- (2) A claimant shall elect arbitration either at the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules, the place of arbitration shall be Beijing. Once a claimant refers a dispute or claim of rights to arbitration, the other party must submit to the above arbitration body and place of arbitration.

- (3) If any dispute or claim of rights are settled by way of arbitration in accordance with clause (1) above, the laws of the People's Republic of China (for the purposes of these Articles, excludes Hong Kong, Macao and Taiwan regions) shall apply, save as otherwise provided by laws and administrative regulations.
- (4) The award of an arbitration body shall be final and conclusive and binding on all parties.

Chapter 12 SUPPLEMENTARY

Article 219 These Articles may have English version. If there is any inconsistency between the English version and that in Chinese, the Chinese version shall prevail.

Article 220 In these Articles, the following expressions shall have the following meanings unless the context otherwise requires:

“Articles”: Articles of the Company

“Board of Directors”: Board of Directors of the Company

“The chairman of the Board”: the chairman of the Board of the Company

“Directors”: Directors of the Company

“General manager”: the general manager of the Company or person delegated by the Board to perform duties of the general manager or duties in a similar nature as those performed by the general manager

“Deputy general manager”: a deputy general manager of the Company or person delegated by the Board to perform duties of a deputy general manager or duties in a similar nature as those performed by a deputy general manager

“Legal address”: 197, Section A, Fu Shou East Street, High Technology Industrial Development Zone, Weifang City, Shandong Province, the PRC

“RMB”: the lawful currency of the People's Republic of China

“The secretary to the Board”: the secretary to the Board appointed by the Board of Directors

“Hong Kong Stock Exchange”: The Stock Exchange of Hong Kong Limited

“The State”, “PRC”: the People's Republic of China

Controlling shareholder: shareholders holding shares that account for more than 50% of the total share capital of the Company; shareholders whose shareholdings are entitled to voting rights that could have a material impact on resolutions of general meetings, even though such shareholdings account for not more than 50%.

De facto controller: natural, legal person or other organisations who could effectively dominate the acts of the Company through investment relationships, agreements or other arrangements.

Connected relationships: relationships between the controlling shareholders, de facto controllers, directors, senior management officers and companies directly or indirectly controlled by them and other relationships that might result in the transferral of the Company's interests, provided that companies controlled by the State shall not be deemed as connected to one another merely because they are subject to common control by the State.

Article 221 In these Articles, the meaning of an accounting firm shall be the same as that of "auditors".

Article 222 The Board of Directors may formulate by-laws pursuant to the provisions of the Articles. Such by-laws shall not be in conflict with the provisions of the Articles.

Article 223 These Articles are drafted in Chinese. The latest Chinese version approved by the company registration body for registration and filing shall prevail in the case of inconsistency between the version in Chinese and other languages or versions.

Article 224 For the purposes of these Articles, the term "not less than" and "within" are all inclusive terms while "over", "not exceeding", "above", "less than" and "more than" are exclusive terms.

Article 225 Matters not covered in these Articles shall be dealt with in accordance with the laws, administrative regulations, regulatory documents and securities regulatory rules of the place where the Company's shares are listed and based on the actual situation of the Company. Where these Articles are in conflict with the promulgated laws, administrative regulations, regulatory documents and securities regulatory rules of the place where the Company's shares are listed, such promulgated laws, administrative regulations, regulatory documents and securities regulatory rules of the place where the Company's shares are listed shall prevail.

Article 226 The Board of Directors of the Company shall be responsible for the interpretation of these Articles.

Article 227 These Articles include the rules for proceedings for the general meetings and the Board meetings.

(Important notice: This Articles of Association is published in Chinese and English version. In case of inconsistency, the Chinese version shall prevail.)