

**Shanghai Realway Capital Assets
Management Co., Ltd.**

ARTICLES OF ASSOCIATION

(ARTICLES OF ASSOCIATION OF H SHARES)

March 2020

Approved by the first extraordinary general meeting and class meeting of 2020

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CHAPTER 1 GENERAL PROVISIONS

Article 1 The Articles of Association is formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as "Company Law"), Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Companies with Limited Liability (hereinafter referred to as "Special Provisions"), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (hereinafter referred to as "Mandatory Provisions"), the Circular Regarding Opinions on the Amendments of Articles of Association of Companies Listed in Hong Kong (hereinafter referred to as "Zheng Jian Hai Han"), Opinions on Further Standardising Operations and Intensifying Reforms of Companies Listed Overseas (hereinafter referred to as "Opinions"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as "Listing Rules"), the Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies, the Official Reply of the State Council on the Adjustment of the Notice Period for the General Meeting and Other Matters Applicable to the Overseas Listed Companies (the State Council Circular No. 97 [2019]) and other relevant laws, administrative regulations and regulatory documents, for the purpose of protecting the legitimate rights and interests of Shanghai Realway Capital Assets Management Co., Ltd. (hereinafter referred to as the "Company"), its shareholders and creditors, and regulating the organization and activities of the Company.

Article 2 The Company is a joint stock limited company established in accordance with the Company Law, Special Provisions and other relevant laws and administrative regulations of the State.

The company was founded by the shareholders of the former Shanghai Ruiwei Equity Investment Management Co., Ltd (上海瑞威股权投资基金管理有限公司) as the founder of the joint stock company, and was changed into a joint stock company from Shanghai Ruiwei Equity Investment Management Co., Ltd (上海瑞威股权投资基金管理有限公司). On 11 January 2016, the Company registered with the Shanghai Administration of Industry and Commerce and obtained a business license. The unified social credit code of the business license is 91310000698809919R.

The Company was established by the following founders: Shanghai Weimian Investments Partnership (Limited Partnership)* (上海威冕投资合伙企业 (有限合伙)), Shanghai Weihui Investments Partnership (Limited Partnership)* (上海威汇投资合伙企业 (有限合伙)) and Shanghai Zunwei Industrial Development Co. Limited* (上海尊威实业发展有限公司).

Mandatory Provisions Article 1

Article 3 Registered Name of the Company: 上海瑞威资产管理股份有限公司

In English: Shanghai Realway Capital Assets Management Co., Ltd.

Mandatory Provisions Article 2

Article 4 The Company's registered residence: Room 26G-3, No. 828-838 (even number) Zhang Yang Road, Pilot Free Trade Zone, Shanghai, PRC.

Postal code: 200122

Telephone Number: 021-52126818

Facsimile Number: 021-52126816

Mandatory Provisions Article 3

Article 5 The Legal Representative of the Company is the Chairman of the Board of Directors of the Company.

Mandatory Provisions Article 4

Article 6 The Company is a joint stock limited company with perpetual existence.

Mandatory Provisions Article 5

Article 7 The capital of the Company shall be divided into shares and each share shall have equal value. The respective liability of the shareholders shall be limited to the shares subscribed by them. The company shall be held liable for its debts with all of its assets.

Article 8 After being approved by a special resolution at the Company's general meeting and approved at the Company's class meeting of shareholders, the Articles of Association shall come into effect after the date of the Company's domestic shares are converted into overseas listed shares and listed for trading on the Main Board of the Stock Exchange of Hong Kong Limited (hereinafter referred as "Hong Kong Stock Exchange") upon the approval by the examination and approval department and shall replace the Articles of Association originally registered with the Company registration authority. The Articles of Association shall be a legally binding public document that regulates the Company's organization and activities, the rights and obligations between the Company and its shareholders as well as among the shareholders once it goes into effect.

Mandatory Provisions Article 6

Article 9 The Articles of Association shall be binding on the Company, its shareholders, Directors, Supervisors, General Manager and senior management. In accordance with the Articles of Association, shareholders may institute legal proceedings against shareholder; shareholders may institute legal proceedings against Directors, Supervisors, General Manager and other senior management of the Company; shareholders may institute legal proceedings against the Company; the Company may institute legal proceedings against shareholders, Directors, Supervisors, General Manager and other senior management.

Other senior management fore-mentioned shall refer to the Company's deputy managers, secretary of the board of directors, financial officers, risk control officers, head of investment. The managers, deputy managers referred in the Articles of Association have the same meaning as the managers, deputy managers referred in other regulatory documents.

The lawsuits as mentioned in the paragraph above shall include lawsuits brought before the court or the arbitration brought before the designated arbitration agency in accordance with the Articles of Association.

Mandatory Provisions Article 7

Article 10 The Company may invest in other limited liability companies or joint stock limited companies, and assume liability towards the invested companies to the extent of its capital contribution.

Mandatory Provisions Article 8

Article 11 Under the premise of observing the laws and administrative regulations of China, the Company has the right of financing or borrowing, including but not limited to the rights to issue the corporate bonds, to pledge or mortgage the rights of ownership or use of all or part of its assets as well as other rights permitted by Chinese laws and administrative regulations, and to provide all types of guarantee for debts of any third party (including but not limited to affiliated or joint companies of the Company) under all circumstances. But the Company shall not infringe or abolish the rights of any class of shareholders in exercising the above rights.

CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 12 The objectives of the Company shall be solidity, innovation, responsibility, and to be the most secure asset management company.

Mandatory Provisions Article 9

Article 13 The scope of business of the Company shall be consistent with and subject to that approved by the authority responsible for the registration of the Company. As registered according to the laws, the scope of business of the Company shall be: equity investment management, investment management and consultancy. (Businesses that require pre-approvals according to the laws and regulations can only be conducted after obtaining approvals from the relevant authorities.)

The Company may change its scope of business and mode of business in accordance with the domestic and international market change and the requirements of business development of the Company. If the Company adjusts its scope and way of operation, it shall amend these Articles of Association in accordance with the requirements herein and file the change of registration with the company registration authority. If the adjusted scope of business involves business restricted by the laws and regulations of China, such adjustments shall be subject to the approval in accordance with laws.

Mandatory Provisions Article 10

CHAPTER 3 SHARES AND REGISTERED CAPITAL

SECTION 1 ISSUANCE OF SHARES

Article 14 The Company shall provide for ordinary shares at all times; pursuant to its requirements and upon the approval granted by the examining and approving authorities of the Company authorized by the State Council, the Company may create other classes of shares.

Mandatory Provisions Article 11

Article 15 The shares issued by the Company shall bear a par value. Each share shall have a par value of RMB 1.

The RMB referred to in the preceding paragraph is the legal currency of the People's Republic of China.

Mandatory Provisions Article 12

Article 16 The Company shall follow the principles of fairness and equity when issuing shares. Each share in the same class shall have the same rights.

Shares of the same class issued at the same time shall all be issued with the same condition and at the same price with each other. All shares subscribed by any entity or individual shall be paid the same price.

Each class of ordinary shares (domestic shares and foreign shares) issued by the Company shall rank pari passu with each other in respect of dividends and other distributions.

Article 17 The Company may offer its shares to both domestic and foreign investors with the approval of the relevant securities regulatory authority under the State Council.

Foreign investors referred to in the preceding paragraph shall mean those investors in foreign countries, Hong Kong, Macau or Taiwan who subscribe for shares of the Company. Domestic investors shall mean those investors in the PRC, excluding the aforementioned regions, who subscribe for shares of the Company.

Mandatory Provisions Article 13

Article 18 Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Company to foreign investors for subscription in foreign currency shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as overseas listed foreign shares.

The foreign currency referred to in the preceding paragraph is a legal currency of other countries or regions (other than Renminbi) which is recognized by the foreign exchange administration authority of the China and can be used for payment of the Company's shares.

Mandatory Provisions Article 14

Article 19 The foreign shares offered by the Company listed in Hong Kong are called "H Shares". H shares are overseas listed foreign shares. The domestic shares and overseas listed shares of the Company admitted by the securities regulatory authority of the State Council for listing on the Hong Kong Stock Exchange are the same class of shares known as overseas listed shares.

Both domestic share and foreign share shareholders are ordinary share shareholders sharing the same obligations and rights.

Article 20 Prior to the issuance of H shares, the total share capital of the Company were 115,000,000 Shares, all of which were ordinary shares, and the shareholding structure was as follows:

No.	Name of shareholders	Number of shares (Shares)	Shareholding percentage
1	Shanghai Weimian Investments Partnership (Limited Partnership)*(上海威冕投资合伙企业(有限合伙))	79,012,675	68.71%
2	Shanghai Weiye Investments Partnership (Limited Partnership)*(上海威烨投资合伙企业(有限合伙))	15,000,000	13.04%
3	Shanghai Weihui Investments Partnership (Limited Partnership)*(上海威汇投资合伙企业(有限合伙))	13,875,000	12.07%
4	Shanghai Zunwei Industrial Development Co. Limited*(上海尊威实业发展有限公司)	7,112,325	6.18%
Total		115,000,000	100.00%

Mandatory Provisions Article 15

Article 21 The Company was approved by the CSRC under document of Zheng Jian Xu Ke [2018] No. 1554 in 27 September 2018, and was approved by HKEx in 12 November 2018 to issue up to 38,340,000 H Shares, representing not more than 25% of the total number of Shares of the Company after the issuance.

Upon completion of the issuance of the H shares as aforementioned, the share capital structure of the Company is: 153,340,000 ordinary shares, comprising 115,000,000 domestic shares, representing 75% of the total number of ordinary shares of the Company; 38,340,000 overseas listed foreign shares, representing 25% of the total number of ordinary shares of the Company.

Upon admission by the CSRC and approval by the Hong Kong Stock Exchange for the conversion of domestic shares into overseas listed shares and listing on the Hong Kong Stock Exchange, the share capital structure of the Company is: 153,340,000 ordinary shares, all of which are overseas listed shares.

Mandatory Provisions Article 16

Article 22 Subject to approval of the Company's plan to issue overseas listed shares and domestic shares by the securities supervisory authorities of the State Council, the Board of the Company may make arrangement to implement such plans for the issue of such shares.

The Company's plan to issue overseas listed shares and domestic shares respectively pursuant to the provisions aforesaid may be implemented respectively with 15 months from the date of approval of the Securities Commission of the State Council.

Mandatory Provisions Article 17

Article 23 The Company shall issue the total amount of overseas listed shares and domestic shares as stipulated in the issue plans on a one-off basis. If, under extraordinary condition, the Company could not issue all the shares as stipulated in the issue plan on a one-off basis, the Company can carry out several issues after obtaining approval from the Securities Commission of the State Council.

Mandatory Provisions Article 18

Article 24 The registered capital of the Company is RMB 153,340,000.

Mandatory Provisions Article 19

Article 25 The Company may, depending on the needs of its operation and development, and in accordance with relevant provisions contained in the Articles of Association. The Company may increase its capital by the following methods:

- (I) Offer of new shares to specific investors;
- (II) Offer of shares to the public;
- (III) New shares issue to existing shareholders;
- (IV) Allotment of new shares to existing shareholders;
- (V) Other methods permitted by laws and administrative regulation.

The Company's increase of its capital by issuing new shares shall be handled in accordance with the procedures provided for in relevant state laws and administrative regulations after having been approved in accordance with the Articles of Association.

Mandatory Provisions Article 20

Article 26 Unless otherwise provided by the laws, administrative regulations or the securities regulatory authorities of the place(s) where the Company's shares are listed, fully paid shares in the Company are freely transferable, without any lien.

Mandatory Provisions Article 21

SECTION2 REDUCTION OF CAPITAL AND REPURCHASE OF SHARES

Article 27 The Company may reduce its registered capital. The Company shall reduce its registered capital pursuant to the procedures under the Company Law, other relevant regulations and these Articles.

Mandatory Provisions Article 22

Article 28 Upon the reduction of registered capital, the Company shall prepare a balance sheet and a list of its assets.

The Company shall notify its creditors within 10 days from the date of passing the resolution for the reduction of registered capital and shall publish the notice at least 3 times in a newspaper within 30 days thereof. Creditors shall

have the right within 30 days from the date of receiving the notice, and the creditors who have not received the notice shall have the right within 90 days from the date the notice was first published in the newspaper, to request the Company to settle the debts or to provide corresponding securities in respect of the debts.

The registered capital shall not be less than the minimum statutory requirement after the reduction of capital by the Company.

Mandatory Provisions Article 23

Article 29 Share of the Company may be repurchased by the Company in accordance with the laws, administrative regulations, departmental rules and provisions of the Articles of Association under the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with other companies holding the Company's shares;
- (III) to offer shares to the staffs of the Company as incentive;
- (IV) to repurchase of shares at the request of shareholders against resolutions of merger or division of the Company approved at the Company's general meetings;
- (V) other circumstances as permitted by the laws and administrative regulations.

Except from the abovementioned, the Company shall not be involved in trading of the Company's shares.

Where share of the Company is repurchased for the reasons of the aforesaid items (I) to (III), it shall be approved at the general meeting of the Company.

Where share of the Company is repurchased in accordance with item (I) of this article, the relevant share shall be cancelled within 10 days after the date of repurchase; where share of the Company is repurchased in accordance with item (II) or item (IV) of this article, it shall be transferred or cancelled within 6 months after the date of repurchase.

Where share of the Company is repurchased in accordance with item (III) of this article, it shall not exceed 5% of the total issued shares of the Company; the funds used for such purchases shall be from the after-tax profits of the Company; and the repurchased share shall be transferred to the staffs of the Company within 1 year.

Mandatory Provisions Article 24

Article 30 The Company may, with the approval of the relevant governing authority of the State for repurchasing its shares, conduct the repurchase in one of the following manners:

- (I) to make an offer to repurchase its shares to all of its shareholders on a pro rata basis;
- (II) to repurchase its shares through public trading on a stock exchange;
- (III) to repurchase its shares through an off-market agreement;
- (IV) other forms approved under laws, administrative regulations and by relevant competent authorities.

Mandatory Provisions Article 25

Article 31 Where the Company repurchases its shares through an off-market agreement, it shall seek prior approval of the shareholders at the general meeting in accordance with the Articles of Association. The Company may rescind or vary a contract so entered into by the Company or waive any of its rights thereunder upon prior approval by shareholders at general meeting obtained in the same manner.

The contract to repurchase shares as referred to in the preceding paragraph includes, but not limited to, an agreement whereby obligations to repurchase are undertaken and rights to repurchase are acquired.

The Company shall not assign a contract for repurchasing its shares or any of its right thereunder.

Where the Company has the right to repurchase redeemable shares other than through the market or by tender, such repurchase shall be limited to a maximum price; if such repurchase is made by tender, tenders shall be offered to all shareholders alike.

Mandatory Provisions Article 26

Article 32 After repurchasing the shares in accordance with laws, the Company shall cancel such shares within the time period as prescribed by laws and regulations, and apply with the original company registration authority for change of registered capital.

The amount of registered capital of the Company shall be reduced by the total par value of the shares cancelled.

Mandatory Provisions Article 27

Article 33 Unless the Company is in the course of liquidation, it must comply with the following provisions in respect of repurchase of its shares in issue:

- (I) where the Company repurchases its shares at par value, payment shall be made out of book balance of the distributable profits of the Company or out of proceeds of issuance of new shares made for that purpose;
- (II) where the Company repurchases its shares at a premium to their par value, payment up to the par value shall be made out of the book balance of distributable profits of the Company or out of the proceeds of issuance of new shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:
 - (i) if the shares being repurchased were issued at par value, payment shall be made out of the book balance of the distributable profits of the Company;
 - (ii) if the shares being repurchased were issued at a premium to their par value, payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds of issuance of new shares made for that purpose, provided that the amount paid out of the proceeds of the issuance of new shares shall not exceed the aggregate of premiums received by the Company on the issue of the shares repurchased nor the amount standing to the credit of the Company's share premium account (or capital reserve account) at the time of such

- repurchase (including the premiums on the issuance of new shares);
- (III) payment by the Company for the following purposes shall be made out of the Company's distributable profits:
 - (i) acquisition of rights to repurchase shares of the Company;
 - (ii) variation of any contract for repurchasing shares of the Company;
 - (iii) discharge of any of the Company's obligations under any contract for repurchasing its shares.
 - (IV) after the Company's registered share capital has been reduced by the total par value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the par value portion of the shares repurchased shall be accounted for in the Company's share premium account (or capital reserve account).
 - (V) Where the laws, regulations, rules, normative documents and relevant provisions of the securities regulatory authority at the location where the shares of the Company are listed have any other provisions in respect of the financial arrangement relating to the repurchase of shares, such provisions shall prevail.

Mandatory Provisions Article 28

SECTION3 TRANSFER OF SHARES

Article 34 The Company shall not accept any shares of the Company as the subject of pledge.

Article 35 Shares of the Company held by the originators shall not be transferred within 1 year as of the date of incorporation of the Company. Shares of the Company that were issued prior to a public issue shall not be transferred within 1 year as of the date on which shares of the Company are listed and traded on the stock exchange.

The directors, supervisors and other senior management of the Company shall declare to the Company any shares held by them and the change of such shareholding; every year during the term of their office, they shall not transfer shares exceeding 25% of the total number of shares of the Company they held; the shares of the Company they held are not transferable within 1 year from the listing date of shares. They shall not transfer the shares of the Company within six months from the termination of office.

All transfers of overseas listed shares listed in Hong Kong shall be effected by a written document of transfer in an ordinary or common form or any other form acceptable to the board (including the standard transfer format or form of transfer specified by the Hong Kong Stock Exchange from time to time). The written document of transfer may be signed by hand or stamped with company seals if transferors or transferees are companies. If the transferor or transferee is a recognized clearing house as defined in the relevant laws of Hong Kong in force from time to time ("Recognized Clearing House") or its agent, the share transfer form may be executed by in mechanically-printed form.

All instruments of transfer shall be maintained at the registered address of the Company, the share registrar or addresses as the board of directors may designate from time to time

SECTION4 FINANCIAL ASSISTANCE FOR THE ACQUISITION OF SHARES IN THE COMPANY

Article 36 The Company or its subsidiaries (including affiliates of the Company) shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares in the

Company. The said acquirer of shares in the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares in the Company.

The Company and its subsidiaries shall not, by any means at anytime, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations of that person.

This provision does not apply to the circumstances stated in Article 38.

Mandatory Provisions Article 29

Article 37 The financial assistance referred to in this Chapter includes (without limitation) financial assistance provided by the following means:

- (I) gift;
- (II) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (other than compensation in respect of the Company's own default) or release or waiver of any right;
- (III) provision of loan or entry into any agreement under which the obligations of the Company are to be fulfilled before the obligations of other parties, or a change in the parties to, or the assignment of rights under, such loan or agreement;
- (IV) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.

The expression "Incurring an obligation" referred to in this Chapter includes the incurring of obligations by the obligor as a result of the changing of the its financial position by way of contract or the making of an arrangement (whether enforceable or not, and whether made on its own account or jointly with any other persons), or by any other means.

Mandatory Provisions Article 30

Article 38 Subject to laws, regulations and regulatory documents, the following activities shall not be deemed to be activities prohibited by Article 36:

- (I) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares in the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company;
- (II) the lawful distribution of the Company's assets by way of dividend;
- (III) the payment of any dividend by way of an allotment of shares;
- (IV) a reduction of registered capital, a repurchase of shares or a reorganization of the shareholding structure effected in accordance with the Articles of Association;
- (V) the lending of money by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that such net assets are thereby reduced, such financial assistance is provided out of the distributable

- profits of the Company);
- (VI) the provision of money by the Company for contributions to staff and workers' share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that such net assets are thereby reduced, such financial assistance is provided out of the distributable profits of the Company).

Mandatory Provisions Article 31

SECTION 5 SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS

Article 39 Share certificates are vouchers issued by the company to certify the shares held by the shareholders. Share certificates of the Company shall be in registered form and it shall contain following main particulars:

- (I) the name of the Company;
- (II) the date of incorporation of the Company;
- (III) the class of shares, par value and number of shares it represents;
- (IV) the share certificate number;
- (V) other matters required to be stated therein by the Company Law and the stock exchange(s) on which the Company's shares are listed.

Mandatory Provisions Article 32

Article 40 Share certificates shall be signed by the Chairman. Where the stock exchange on which the shares of the Company are listed requires such share certificates to be signed by other senior management members of the Company, such share certificates shall also be signed by such other senior management members. Such share certificates shall become valid after the seal of the Company has been affixed thereto by way of printing or otherwise. The seal of the Company shall be affixed to such share certificates with the authority of the Board. The signatures of the Chairman of the Company or other relevant senior management members on such share certificates may also be in printed form.

Mandatory Provisions Article 33

Zheng Jian Hai Han Article 1

Article 41 If the Company's shares are traded in a paperless form, the matters set forth in the first two items of this section of these Articles shall otherwise be subject to the regulations of the appropriate securities regulatory body of the place of listing.

Article 42 The Company shall establish a register of shareholders, in which the following particulars shall be entered:

- (I) the name (title), address (registered address), occupation or nature of each shareholder;
- (II) the class and number of shares held by each shareholder;
- (III) the amount paid up or payable in respect of shares held by each shareholder;
- (IV) the identification numbers of the shares held by each shareholder;

- (V) the date on which each shareholder is registered as such;
- (VI) the date on which each shareholder ceases to be such shareholder.

The register of shareholders shall be the sufficient evidence of the shareholders' shareholdings in the Company, except where there is evidence to the contrary.

When two or more persons are registered as the joint holders of any share, they shall be deemed to be the joint owners of such share subject to the following restrictions:

- (I) the Company shall not be obliged to register more than four persons as the joint holders of any share;
- (II) all the joint holders of any share shall jointly and severally assume the liability to pay for all amounts payable in respect of such share;
- (III) In case one of the joint holders has deceased, only the surviving joint holders shall be deemed by the Company to be the persons having the ownership of such share, but the Board shall have the right, for the purpose of making amendments to the register of shareholders, to require the provision of such death certificate in respect of such shareholder as it may deem appropriate; and
- (IV) For joint holders of any share, only the joint holder whose name stands first in the register of shareholders in respect of such share shall be entitled to receive from the Company the certificate for such share, and notices. Any notice served on such person shall be deemed to have been served on all the joint holders of such share. In case of joint shareholding, any one of joint holder may sign a proxy form, except if more than one such joint holder is present at the meeting, the vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose the seniority of shareholders will be determined by the order in which the names stand in the register of shareholders of the Company in respect of the joint shareholding.

Mandatory Provisions Article 34

Article 43 The Company may, in accordance with the mutual understanding and agreements between the securities regulatory authority of the State Council and overseas securities regulatory authorities, maintain its register of holders of overseas listed shares outside China and appoint overseas agent(s) to manage such register. The original register of holders of overseas listed shares listed in Hong Kong Stock Exchange shall be maintained in Hong Kong.

The Company shall keep a copy of its register of holders of overseas listed shares at its registered address. The overseas agent appointed as aforesaid shall ensure that the original and the copy of such register of holders of overseas listed shares are at all times consistent.

Where the original and the copy of such register of holders of overseas listed shares are inconsistent, the original shall prevail.

Mandatory Provisions Article 35 **Zheng Jian Hai Han Article 2**

Article 44 The Company shall maintain a complete register of shareholders.

Such register of shareholders shall include the following parts:

- (I) a register of shareholders kept at the Company's registered address (other than those under items (II) and (III) of this Article);
- (II) a register of holders of overseas listed shares of the Company kept at the place where the overseas stock exchange on which such shares are listed is located;
- (III) any register of shareholders kept at such other place as the Board may consider necessary for the purpose of listing of the Company's shares.

In the register of shareholders of overseas listed shares, the original register of shareholders of holders of shares listed on the Hong Kong Stock Exchange shall be maintained in Hong Kong.

Mandatory Provisions Article 36

Article 45 Different parts of the register of shareholders shall not overlap one another. No transfer of the shares registered under any part of the register shall, during the existence of that registration, be registered under any other part of the register of shareholders.

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

Mandatory Provisions Article 37

Article 46 All fully paid-up overseas listed shares which are listed in Hong Kong are freely transferable pursuant to the provisions of the Articles of Association (except otherwise restricted by the Hong Kong Stock Exchange). However, the Board may refuse to recognize any instrument of transfer without giving any reason unless the following conditions are fulfilled:

- (I) HK\$2 or such higher fee as may be agreed by the Hong Kong Stock Exchange has been paid to the Company to register the instrument of transfer of shares and other documents relating to or which may affect the title to such shares;
- (II) the instrument of transfer only relates to the overseas listed shares listed in Hong Kong;
- (III) the stamp duty as required by law in Hong Kong has been paid for the transfer instrument;
- (IV) the relevant share certificates and evidence reasonably required by the Board showing that the transferor has the right to transfer such shares have been provided;
- (V) if the shares are to be transferred to joint holders, the number of such joint holders shall not exceed 4;
- (VI) the Company does not have any lien over the relevant shares.

Zheng Jian Hai Han Article 12

Article 47 Where laws and regulations and the relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed stipulate the period of closure of the register of shareholders prior to a shareholders' general meeting or the base date on which the Company decides to distribute dividends, such

provisions shall prevail.

Mandatory Provisions Article 38

Article 48 When the Company holds a general meeting, distributes dividends or carries out liquidation or other acts which requires confirmation of share ownership, the Board shall determine a day to be the share ownership confirmation day, and the shareholders registered in the register of members at the end of the share ownership confirmation day shall be the shareholders of the Company.

Mandatory Provisions Article 39

Article 49 Any person who has objections to the register of members and requires his name to be registered in or deleted from the register of members may apply to the competent court for correction of the register of members.

Mandatory Provisions Article 40

Article 50 Any shareholders registered in the register of members or any person requiring his name to be registered in the register of members, in case of loss of his stocks (i.e. the “original stock”), may apply to the Company for renewal of stocks with respect to the shares (i.e. “relevant shares”).

Application by holders of domestic shares for renewal of stocks shall be subject to relevant provisions of the Company Law.

Application by holders of overseas listed shares for renewal of stocks shall be subject to the laws, stock exchange rules or other relevant regulations of the place where the original of the register of members of the overseas listed shares is kept.

Where holders of overseas listed shares apply for replacement of their share certificates after losing their certificates, such replacement shall comply with the following requirements:

- (I) the applicant shall submit the application in the form prescribed by the Company accompanied by a notarial certificate or statutory declaration. The notarial certificate or statutory declaration shall include the applicant’s reason for the application, the circumstances and proof of the loss of the share certificate and a declaration that no other person may require registration as a shareholder in respect of the relevant shares;
- (II) the Company shall not have received any declaration requesting registration as a shareholder in respect of the shares from any person other than the applicant before it decides to issue a replacement share certificate;
- (III) if the Company decides to issue a replacement share certificate to the applicant, it shall publish a public announcement of its intention to do so in the newspapers or periodicals designated by the Board; the period of the public announcement shall be 90 days, during which such announcement shall be published repeatedly at least once every 30 days;
- (IV) before publishing the public announcement of its intention to issue a replacement share certificate, the Company shall submit a copy of the announcement to be published to the stock exchange where it is

listed and may proceed with publication after having received a reply from the stock exchange confirming that the announcement has been displayed in the stock exchange. The Company shall display the public announcement in the stock exchange for a period of 90 days.

- (V) at the expiration of the 90-day period provided for in items (III) and (IV) hereof, if the Company has not received any objection to the issuance of a replacement share certificate from any person, it may issue a replacement share certificate according to the application of the applicant;
- (VI) when the Company issues a replacement share certificate under this Article, it shall immediately cancel the original share certificate and record such cancellation and the issuance of the replacement share certificate in the register of shareholders; and
- (VII) all expenses of the Company for the cancellation of the original share certificate and the issuance of a replacement share certificate shall be borne by the applicant. The Company shall be entitled to refuse to take any action until the applicant has provided reasonable security.

Mandatory Provisions Article 41

Article 51 After the Company has issued a replacement share certificate in accordance with the Articles of Association, it shall not delete from the register of shareholders the name of a bona fide purchaser of the replacement share certificate mentioned above or of a shareholder that is subsequently registered as the owner of the shares (provided that he is a bona fide purchaser).

Mandatory Provisions Article 42

Article 52 The Company shall not be liable for any damages suffered by any person from the cancellation of the original share certificate or the issuance of the replacement share certificate, unless the claimant can prove fraud on the part of the Company.

Mandatory Provisions Article 43

CHAPTER 4 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

SECTION 1 SHAREHOLDERS

Article 53 A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is registered in the register of shareholders.

Shareholders shall enjoy rights and have obligations in accordance with the class of shares held by them. Shareholders holding the same class of shares shall be entitled to equal rights and have equal obligations. Holders of unlisted foreign shares and domestic shares are in the same class of shareholders despite other provisions of the Articles of Association, especially for the holders of unlisted foreign shares who shall be entitled to attend and vote at the same class of shareholders' general meeting with holders of domestic shares and receive the notice convening the same class of shareholders' general meeting, providing that the holders of unlisted foreign shares shall enjoy the following rights:

- (I) to receive dividends declared by the Company in foreign currencies; and
- (II) in the event of the winding-up of the Company, to remit their respective shares in the remaining assets

(if any) of the Company out of the PRC in accordance with the applicable foreign exchange control laws and regulations in the PRC.

Mandatory Provisions Article 44

Article 54 Shareholders of ordinary shares of the Company shall enjoy the following rights:

- (I) the right to dividends and other distributions in proportion to the number of shares held;
- (II) the right to request, convene, chair, attend or appoint a proxy to attend general meetings and to exercise the voting right;
- (III) The rights to supervise the operation of the Company and to put forward proposals and raise inquiries;
- (IV) The rights to transfer shares in accordance with laws, administrative regulations and the Articles of Association;
- (V) The rights to obtain relevant information in accordance with the Articles of Association of the Company, including:
 - 1. to obtain a copy of the Articles of Association upon payment of the cost of such copy;
 - 2. to inspect and photocopy upon payment of a reasonable charge, of:
 - (1) all parts of the register of shareholders;
 - (2) personal particulars of each of the directors, supervisors, manager and other senior management of the Company, including:
 - a. current and previous names and aliases;
 - b. main address (registered address);
 - c. nationality;
 - d. full-time and all other part-time occupations and duties;
 - e. identification documents and their numbers.
 - (3) the status of the Company's share capital;
 - (4) reports of the aggregate par value, number of shares, highest and lowest prices paid by the Company in respect of each class of shares bought back by the Company since the end of the last financial year and all the expenses paid by the Company therefor;
 - (5) minutes of shareholders' general meetings and resolutions of meetings of the board of directors and the supervisory committee;
- (VI) The rights to participate in the distribution of remaining assets of the Company corresponding to the number of shares held in the event of the termination or liquidation of the Company;
- (VII) The rights to demand the Company to acquire the shares held by them with respect to shareholders voting against any resolution adopted at the general meetings;
- (VIII) Other rights conferred by the applicable laws, administrative regulations, departmental rules or the Articles of Association.

The Company shall not exercise any power to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

Mandatory Provisions Article 45

Article 55 Where shareholders request for inspection of the relevant information or demand for materials as mentioned in the previous Article, they shall provide the Company with written documents evidencing the class and number of shares of the Company they hold. Upon verification of the shareholder's identity, the Company shall provide information requested by such shareholder.

Article 56 If any resolution of the shareholders' general meeting or the Board meeting violates the laws or administrative regulations, the shareholders shall have the right to submit to a court to nullify such resolution.

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

Article 57 Where any director or member of the senior management staff violates any law, administrative regulation, or the Articles of Association in the course of performing his duties and thereby causing any loss to the Company, a shareholder who individually or jointly holds 1% or more of the Company's shares for a period of consecutive 180 days or more may request the supervisory committee in writing to initiate a lawsuit in the People's Court. Where the supervisory committee violates any law, administrative regulation, or the Articles of Association in the course of performing its duties thereby causing any loss to the Company, the above said shareholder may request the board of directors in writing to initiate a lawsuit in the People's Court.

If the supervisory committee or the board of directors refuses to lodge a lawsuit after it receives an aforementioned written request in the preceding paragraph, or if it fails to initiate a lawsuit within 30 days after it receives the request, or if, it is in an emergency that the failure to lodge a lawsuit immediately may cause irretrievable damage to the interests of the Company, the aforementioned shareholder in the preceding paragraph may, in the interest of the Company, directly lodge a lawsuit in the People's Court in his own name.

If the legitimate rights and interests of the Company are impaired and any losses are caused to the Company, the aforementioned shareholder in the first paragraph of this Article may initiate a lawsuit in the People's Court in accordance with the provisions of the 1st and 2nd paragraphs of this Article 57.

Article 58 If any director or member of the senior manager staff does any act jeopardizing the shareholders' interests by violating any law, administrative regulation, or the Articles of Association, a shareholder may lodge a lawsuit in the People's Court.

Article 59 The contents of Articles 56 to 58 relate to the dispute resolution rules applicable to the shareholders of foreign shares in Article 278 of the Articles of Association.

Article 60 Shareholders of ordinary shares of the Company shall have the following obligations:

- (I) To abide by laws, administrative regulations and the Articles of Association;
- (II) To pay for the shares based on the shares subscribed for and the manners in which they became shareholder;
- (III) Save as stipulated by the laws or regulations, no share refund is allowed;

- (IV) There shall be no abuse of a shareholder's rights to jeopardize the Company's or other shareholder's interests; there shall be no abuse of the Company's status as an independent legal person or any abuse of the limited liability of a shareholder to jeopardize the interests of the Company's creditors. Shareholders abusing shareholders' rights and resulting in damage to the Company or other shareholders shall bear compensation responsibility in accordance with laws; Shareholders abusing the Company's separate legal existence and the limited liability of shareholders, avoiding debt, resulting in serious damage to the Company relationship with its creditors, shall bear joint responsibility for the Company's debt;
- (V) Other obligations imposed by laws, administrative regulations and the Articles of Association.

Shareholders are not liable for making any further contribution to the share capital other than as agreed by the subscribers of the shares on subscription.

Mandatory Provisions Article 46

Article 61 Where a shareholder holding 5% or more voting shares of the Company pledges any shares in his possession, he shall report the pledge to the Company in writing on the day on which he pledges his shares.

Article 62 The controlling shareholders and the de facto ultimate controller of the Company shall not jeopardize the interest of the Company by way of their connected relationship with the Company. Anyone in breach of this provision thereby causing loss to the Company shall compensate the Company.

The controlling shareholder and actual controller of the Company shall have the obligations in respect of integrity to the Company and other shareholders. The controlling shareholder shall exercise his/her/its rights as a investor in strict compliance with laws, and shall not, via means such as profit distribution, asset reorganization, external investment, occupation of funds, guarantee for borrowing, use of insurance fund and connected transaction, impair the legal rights of the Company and other shareholders, nor shall he/she/it impair the interests of the Company and other shareholders by leveraging its controlling position. In breach of relevant laws, regulations and Articles of Association, compensation for the loss incurred to the Company shall be assumed by the controlling shareholder and/or actual controller.

Article 63 In addition to obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchange where the Company's shares are listed, a controlling shareholder shall not exercise his voting rights in respect of the following matters in a manner prejudicial to the interests the shareholders generally or partially:

- (I) to relieve a Director or Supervisor of his/her duty to act honestly in the best interests of the Company;
- (II) to approve the expropriation by a Director or Supervisor (for his/her own benefit or for the benefit of another person), in any guise, of the Company's property, including (without limitation) opportunities beneficial to the Company; or
- (III) to approve the expropriation by a Director or Supervisor (for his/her own benefit or for the benefit of another person) of the individual rights or interests of other shareholders, including (without limitation) rights to distributions and voting rights save for the Company's restructuring submitted to shareholders for approval and adopted by the shareholders' general meeting in accordance with the Articles of Association.

Mandatory Provisions Article 47

Article 64 A “controlling shareholder” mentioned in the precious Article means a person who satisfies any one of the following conditions:

- (I) he alone, or acting in concert with others, has the power to elect more than half of the board of directors;
- (II) he alone, or acting in concert with others, has the power to exercise or to control the exercise of 30% or more of the voting rights in the Company;
- (III) he alone, or acting in concert with others, holds 30% or more of the issued outstanding shares of the Company; or
- (IV) he alone, or acting in concert with others, in any other manner has de facto control of the Company.

Mandatory Provisions Article 48

SECTION2 GENERAL PROVISIONS FOR THE SHAREHOLDERS' GENERAL MEETING

Article 65 The shareholders’ general meeting is the organ of authority of the Company, which exercises its functions and powers in accordance with Law.

Mandatory Provisions Article 49

Article 66 The shareholders’ general meeting exercises the following functions and powers:

- (I) to decide on operational policies and investment plans of the Company;
- (II) to elect and replace the members of the Board and members of the Board of Supervisors who are not representative of the employees of the Company, and decide on matters related to the remuneration of Directors and Supervisors;
- (III) to consider and approve the report of Board;
- (IV) to consider and approve reports of the board of directors;
- (V) to consider and approve reports of the board of supervisors;
- (VI) to consider and approve annual financial budget plans and final accounting plans of the Company;
- (VII) to consider and approve the profit distribution plan and loss recovery plan of the Company;
- (VIII) to determine the issuance of corporate bonds by the Company;
- (IX) to determine matters such as the merger, division, dissolution, liquidation or change of corporate form of the Company;
- (X) to amend the Articles of Association;
- (XI) to determine the appointment of, removal of and non-reappointment of an auditor by the Company;
- (XII) to consider purchases or sales of the substantial assets and foreign investment for the amount which exceeds thirty percent(30%) of the Company’s latest audited total assets within a year;
- (XIII) to consider share incentive plans;
- (XIV) to consider and approve the proposal raised by shareholders who represent three percent (3%) or more of the total number of voting shares of the Company;
- (XV) to consider other matters that required to be resolved by the shareholders’ general meeting pursuant to administrative regulations, departmental rules, the Articles of Association and requirements of the

securities regulatory authorities of the place where Company's shares are listed.

The foregoing functions and powers of the shareholders' general meeting shall not be exercised by the board of directors or any other body or individual on its behalf by means of authorization.

Mandatory Provisions Article 50

Article 67 In order to prevent shareholders and their related parties from occupying or transferring the Company's funds, assets and other resources, the Company shall formulate documents such as the connected transaction system and the external guarantee system, and submit them to the shareholders' general meeting for consideration.

Article 68 Except that the Company is under a special circumstance such as in a crisis, without the approval made through the extraordinary resolution in the shareholders' general meeting, the Company may not enter into any contract with any person other than the director, supervisor, manager and other senior manager to deliver the management of all or some important business of the Company to such person.

Mandatory Provisions Article 51

Article 69 There are two types of shareholders' general meeting: annual general meeting and extraordinary general meeting. The annual general meeting shall be held once a year within 6 months after the end of the previous accounting year.

An extraordinary general meeting shall be convened within 2 months from the date of occurrence of any of the following events:

- (I) the number of directors is less than the minimum quorum stipulated in the Company Law or less than two-thirds of the number stipulated in the Articles;
- (II) the un-recovered loss of the Company reaches one-third of the Company's total paid-in share capital;
- (III) upon request by shareholders individually or collectively holding 10% or more of the Company's shares;
- (IV) deemed as necessary by the Board;
- (V) the Supervisory Committee so requests;
- (VI) other circumstances stipulated by laws, administrative regulations, department rules and the Articles of Association.

The number of shares held referred to in (III) above shall be calculated on the date when the shareholders put forward a written request.

Mandatory Provisions Article 52

Article 70 The place where the company convened a general meeting is the place of registered address of the company or other place determined by the board of directors.

The general meeting may be held in the form of on-site meetings communication or other means comply with laws and regulations. Where the shareholders' meeting is held in the form of a live meeting, the venue shall be set up.

SECTION3 CONVENING OF SHAREHOLDERS' GENERAL MEETINGS

Article 71 The Supervisory Committee has the right to propose to the Board of Directors to convene an Extraordinary General Meeting and shall propose the same to the Board of Directors in writing. Two (2) or more independent Non-Executive Directors have the right to propose the Board to convene extraordinary general meetings and shall submit it to the Board in writing. The Board shall reply in written form regarding the acceptance or refusal to convene an extraordinary general meeting within ten (10) days upon receiving the request in accordance with the laws, administrative regulations, rules and the Articles of Association.

In the event that the Board of Directors gives its consent to convene the Extraordinary General Meeting, a notice of General Meeting shall be issued within 5 days after the Board of Directors passed the relevant proposal. Prior approval from the Supervisory Committee is required for any change to the original proposal.

In the event that the Board of Directors does not give its consent to convene the Extraordinary General Meeting, or fails to give any reply within 10 days after the receipt of the said proposal, the Board of Directors shall be deemed to be unable to perform or failing to perform its function of convening a General Meeting. The Supervisory Committee itself may convene and preside over the General Meeting.

Opinions Article 6

Article 72 The following procedures shall be complied with when shareholders request to convene an extraordinary general meeting or class meeting:

- (I) two or more shareholders holding more than 10%(including 10%) of the voting shares at the proposed general meeting may sign one or several same written requests proposing to the Board of Directors to convene an extraordinary general meeting or class meeting and stating the subjects to be considered at the meeting. The number of shares held referred to above shall be calculated on the date the shareholders submit their written request. After receiving the aforesaid documentary requirements, the Board should convene shareholders' general meetings or class meeting. The number of shares held referred to above shall be calculated on the date the shareholders submit their written request.
- (II) If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice on convening the shareholders' general meetings within 5 days after passing the board resolution. Any changes to the original proposal as stated in the notice shall be approved by the relevant shareholders.
- (III) If the Board refuses to convene an extraordinary general meeting, or gives no response within ten days upon receipt of such proposal, shareholders individually or in aggregate holding more than 10% of the Company's shares shall be entitled to propose to the Supervisory Committee for convening such meeting, provided that such proposal shall be made in writing.
- (IV) If the Supervisory Committee agrees to hold an extraordinary general meeting, a notice of such meeting shall be dispatched within five days upon receipt of such request. Changes made to the original proposal in the notice shall be approved by the relevant shareholders.
- (V) If the Supervisory Committee fails to give notice of such meeting within the specified time limit, it shall be deemed to have failed to convene and preside over such meeting, in which case, shareholders individually or in aggregate holding more than 10% of the Company's shares for not less than 90 consecutive days shall have the right to convene and preside over such meeting by themselves. The

procedures for convening such meeting should follow those for convening a general meeting of shareholders by the Board as similar as practicable.

Mandatory Provisions Article 72

Article 73 Where the Supervisory Committee or shareholders decide(s) to convene the extraordinary general meeting by itself/themselves, it/they shall send out a written notice to the Board.

The shareholding of the convening shareholders shall not be lower than 10% prior to the general meeting is legally made.

Article 74 The Board of directors and the secretary to the Board of directors shall cooperate with respect to matters relating to a general meeting convened by the Supervisory Committee or shareholders. The Board shall provide the register of shareholders as of the date of record date.

Article 75 Necessary expenses arising from convening of a general meeting by the Supervisory Committee or shareholders shall be borne by the Company.

SECTION 4 PROPOSAL AND NOTICE OF THE SHAREHOLDERS' GENERAL MEETING

Article 76 For convening annual general meetings of the Company, the Company shall inform its shareholders of the time and venue of the meeting and the matters to be considered not less than 20 days or 15 days (in the case of an extraordinary general meeting) prior to the date of the meeting.

Article 77 The Company shall include in the agenda such matters which are within the scope of the general meeting, clear issues for discussion and matters to be resolved which are in compliance with the requirements as stipulated by laws, administrative rules and regulations and this Articles of Association.

Article 78 When the Company convenes the general meeting, the Board of Directors, Supervisory Committee and shareholders individually or collectively holding more than 3% of the shares of the Company are entitled to propose new motions to the Company.

Shareholder(s) individually or in aggregate holding over 3% of the shares in the Company may propose extraordinary proposals and submit the same in writing to the convener 10 days prior to the holding of the shareholders' general meeting. The convener shall issue a supplemental notice of the shareholders' general meeting within 2 days of the receipt of the proposals and notify shareholders of the contents of the interim proposal.

Except for those stipulated in the preceding paragraphs, the board of directors cannot, after the notice of the general meeting is issued, make any alteration to the original proposals nor can it propose any new proposals which are not listed in the original notice.

No vote shall be taken and no resolution shall be passed at a shareholders' general meeting in respect of any proposal which is either not set out in the notice of the shareholders' general meeting or not in compliance with Article 77 of the Articles.

Mandatory Provisions Article 54

Article 79 No matters other than those stated in the notice of general meeting or supplemental notice shall be resolved in a general meeting.

Article 80 The notice of the general meeting shall set forth the following particulars:

- (I) in written form;
- (II) the date, time and term of the meeting;
- (III) describing the matters and proposal to be considered at the meeting;
- (IV) describing the matters to be discussed at the meeting;
- (V) providing a clear text description stating that all shareholders who have the right to attend and vote at the general meeting have the right to entrust one or more proxies, who does not need to be shareholders, to attend and vote at the meeting;
- (VI) providing shareholders with materials and explanations necessary for them to make sensible decisions in respect of the matters to be discussed, including (but not limited to) specific terms and contract (if any) for a proposed transaction, and a detailed explanation of its reason and consequence where the Company proposes a merger, share redemption, share capital restructuring or other form of restructuring;
- (VII) where any Director, supervisor, manager and other senior management member have a material interest in respect of the matters to be discussed, then the nature and extent of that interest shall be disclosed; where the impact of the matters to be discussed on such Director, supervisor, manager and other senior management personnel who are shareholders is different from the impact on other shareholders of the same type, then that difference shall be illustrated;
- (VIII) containing the full text of any special resolution proposed to be passed at the meeting;
- (IX) stating the deadline and place for the delivery of voting proxy letter of the meeting;
- (X) name and phone number of the contact person for the meeting affairs.

Any notice and supplementary notice of general meetings shall sufficiently and completely disclose all contents of all motions in full. If a general meeting is held through other means, the designated time and procedure for voting through other means shall be expressly stated in the notice of such meeting.

Mandatory Provisions Article 56

Article 81 Unless otherwise provided in these articles of association, notice of a general meeting shall be served on each shareholder, (regardless whether they are entitled to vote thereat) by a personal delivery or pre-paid mail. The address of addressees shall refer to that in the register of members. As for holders of domestic shares, the notice of general meeting may be given by announcement.

Based on the relevant laws and regulations, announcement referred to in the preceding paragraph shall be published in one or several newspapers designated by the securities authority of the State Council before the date of meeting. Once it is published, all shareholders of domestic shares shall be deemed to have received the notice of the relevant general meeting.

The notices of general meetings served to shareholders of overseas listed shares listed in Hong Kong may be

published on the Hong Kong Stock Exchange's website or in one or multiple newspapers designated by it. Once published, the notices of general meetings shall be deemed to have been served to all shareholders of overseas listed shares listed in Hong Kong.

Mandatory Provisions Article 57

Article 82 In the case when the notice of the meeting has not been delivered to those who are entitled to receive such notice due to accidental omission or such persons have not received the notice of the meeting, the meeting and the resolutions made by the meeting shall not therefore become ineffective.

Mandatory Provisions Article 58

Article 83 Any shareholder entitled to attend and vote at the shareholders' general meeting shall be entitled to appoint one or more other persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf, and a proxy so appointed shall:

- (I) have the same right as the shareholder to speak at the meeting;
- (II) have the right by himself or in conjunction with others to make a resolution by voting;
- (III) have the right to vote by hand or on a poll, but a proxy of a shareholder who has appointed more than one proxy may only vote on a poll.

Mandatory Provisions Article 59

Article 84 Shareholders shall appoint proxy in writing. The proxy form shall be signed by the appointer or its authorized representative who has been authorized in writing. If the appointer is a legal person, the document shall be affixed with the legal person's seal or signed by its director or duly authorized representatives.

Mandatory Provisions Article 60

Article 85 If the shareholders' general meeting intends to discuss the election of directors or supervisors, the notice of the shareholders' general meeting should disclose full information of the candidates for directors and supervisors. The notice should at least include the following:

- (I) Personal circumstances such as education background, work experience, other simultaneous appointments;
- (II) Whether there is associate relationship with the Company or a controlling shareholder and person with actual control of the Company;
- (III) Disclose the number of shares held in the Company;

Each candidate for director or supervisor should be separately proposed.

Article 86 After the notice of General Meeting is issued, the General Meeting shall not be postponed or cancelled without a proper reason and the proposals stated in the notice of General Meeting shall not be cancelled. In the event of any postponement or cancellation, the convener shall inform the Board and state the reasons therein at least 2

working days before the original date of the General Meeting.

SECTION 5 HOLDING OF THE SHAREHOLDERS' GENERAL MEETING

Article 87 The Board of the Company or other convener shall take necessary measures to ensure the proper order of the general meeting. The Board or other convener shall take measures to stop any act disturbing the general meeting, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and shall report such act to the relevant authority for investigation and treatment.

Article 88 All shareholders in the shareholders' register on the equity registration date or proxies thereof shall be entitled to attend general meetings, and exercise voting rights pursuant to relevant laws, regulations, the listing rules of the places where the shares of the Company are listed and the Articles of Association.

The shareholders may attend general meetings and exercise voting rights either in person or by proxy.

Article 89 If a shareholder attends the meeting in person, he/she shall produce his/her own identity card or other valid documents or evidence to prove his/her identity and shareholding evidence. If a shareholder appoints a proxy to attend the meeting, the proxy shall produce his/her own valid identification documents and the shareholder's power of attorney and shareholding evidence.

Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. If a legal representative attends the meeting, he/she shall produce his/her own identity card or other valid documents evidencing his/her capacity of legal representative; if a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the legal representatives of corporate shareholders shall produce the written power of attorney according to law.

Where the said shareholder is a recognized clearing house (or its agent) as defined in the relevant ordinance enacted from time to time in Hong Kong, the shareholder may authorize one or more suitable persons to act as its representative(s) at any general meeting or any class meeting; however, if more than one person are authorized, the proxy form shall clearly indicate the number and types of shares for which each person is authorized and the proxy form shall be signed by the authorized personnel appointed by the recognized clearing house. The persons thus authorized may represent the recognized clearing house (or its agent) to exercise the rights at any meeting (without being required to present share certificate, notarized power of attorney and/or further evidence of due authorization), as if they were the individual shareholders of the Company.

Article 90 The instrument appointing a proxy shall be deposited at the registered address of the Company or at some other places specified for the purpose in the notice of general meeting not less than 24 hours before the time for convening the general meeting at which the proxy is authorised to vote or 24 hours before the time specified for the voting. Where such an instrument appointing a proxy is signed by a person under a power of attorney on behalf of the appointor, that power of attorney authorising the signature or other authorisation documents shall be notarially certified. The notarially certified copy of the power of attorney or other authorisation documents shall, together with the instrument appointing the proxy, be deposited at the Company's registered address or such other place as specified for the purpose in the notice of general meeting.

For a corporate proxy, its legal representative or person authorised by the way of a resolution of the board of

directors or other decision-making authorities shall attend the general meeting of the Company on its behalf.

Mandatory Provisions Article 61

Article 91 The power of attorney issued by a shareholder to appoint another party to attend a shareholders' general meeting shall contain the following particulars:

- (I) the name of the proxy;
- (II) whether the proxy has the right to vote;
- (III) the number of the shares of the principal represented by the proxy;
- (IV) the instructions to vote in favour of or against, or to abstain from voting on, each matter set out on the agenda of the shareholders' general meeting in accordance with the number of shares held;
- (V) whether or not the proxy has voting rights in respect of any provisionally proposed resolution which be included in the agenda for general meeting. And if the proxy has voting rights in respect thereof, specific instructions as to the type of voting rights to be exercised.
- (VI) the date and validity of the power of attorney;
- (VII) the signature (or seal) of the principal.

Article 92 The format of any letter of authority given by the Board of Directors of the Company to shareholders using for appointing proxies shall allow shareholders to choose freely to instruct proxies to vote in favour of or against a matter, and give respective instructions in respect of resolutions made on each of the matters at a meeting. The letter of authority shall indicate that in case the shareholders do not give any instructions, the proxies may vote as they think fit.

Mandatory Provisions Article 62

Article 93 In the event that a principal has died, lost the capacity for acts, withdrawn the appointment or withdrawn the authorization signed for the appointment, or the shares have been transferred prior to voting, as long as the Company has not received a written notice of such matters prior to a meeting, the votes cast by a proxy according to the letter of authority shall remain valid.

Mandatory Provisions Article 63

Article 94 A meeting register of attendants at a meeting shall be compiled by the Company. The meeting register shall state the names (or names of entities), identity card numbers and registered addresses of attendants, number of shares held or representing voting shares, the names of principals (or names of work units) and so on.

Article 95 The convenor shall jointly verify the legitimacy of the qualifications of shareholders based on the register of shareholders provided by China Securities Depository and Clearing Corporation Limited, and record the names of shareholders and the number of voting shares held by them. Meeting registration shall be terminated before the chairman of the meeting announces the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held.

Article 96 During a shareholders' general meeting, all the directors and supervisors of the Company and secretary

of the Board of Directors shall sit in on the meeting. The managers and other senior management officers shall attend the meeting.

Article 97 Shareholders' general meetings shall be convened and presided over by the chairman of the Board and in the failure of which, the vice chairman shall convene and preside over the meeting; In the event that no such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the chairman, the attending shareholder (or its proxy) who holds the most voting shares shall be the chairman.

A shareholders' general meeting convened by the Supervisory Committee on its own shall be chaired by the chairman of the Supervisory Committee. In the event that the chairman is unable to or fails to perform his duties, a supervisor jointly elected by more than half of the supervisors of the Company shall chair the meeting.

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

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

Mandatory Provisions Article 73

Article 98 The Company shall formulate the rules of procedure of shareholders' general meeting, which shall specify in details the convening and voting procedures of the shareholders' general meeting, including notice, registration, deliberation of draft resolutions, voting, votes counting, announcement of voting results, formation of meeting resolutions, minutes of the meeting and the execution thereof, etc., and the principles of authorization granted by the shareholders' general meeting to the Board. The content of authorization shall be clear and concrete. The rules of procedure of the shareholders' general meeting shall be drafted by the Board and approved by the shareholders' general meeting.

Article 99 At an annual general meeting, the Board of Directors and the Supervisory Committee shall report to the meeting on their work over the past one year. Each of the independent non-executive directors shall also make their personal work reports.

Article 100 Directors, supervisors and senior management officers shall explain and illustrate the questions and suggestions made by shareholders at a shareholders' general meeting.

Article 101 The chairman of a meeting shall announce, before voting takes place, the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held. The number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held shall be based on the registration at the meeting.

Article 102 Minutes shall be prepared for a shareholders' general meeting by the Secretary of the Board of

Directors. The minutes of a meeting shall record the following particulars:

- (I) the time, place, agenda and name of the convenor of the meeting;
- (II) the names of the chairman of the meeting and the directors, supervisors, president and other senior management officers attending or present in the meeting;
- (III) the number of shareholders and proxies attending the meetings, the total number of voting shares held and their respective percentages of total number of shares of the Company;
- (IV) the process of considering each proposal, main points of remarks and voting results;
- (V) questions, comments or suggestions by shareholders, and the replies thereto or explanations thereof;
- (VI) the names of counters and scrutineers of votes;
- (VII) other particulars that shall be recorded into the meeting minutes as prescribed hereunder.

Article 103 The convenor shall ensure that the particulars of meeting minutes are true, accurate and complete. Secretary of the Board of Directors, convenor or his representative who attended the meeting and the chairman of a meeting shall sign the minutes of the meeting. The minutes of the meeting shall be kept together with the meeting attendance register of shareholders physically present at the meeting, powers of attorney of proxies present, details of voting on other voting methods for a period of not less than 10 years.

Article 104 A convenor shall ensure that a shareholders' general meeting shall be held continuously until a final resolution is formed. In the event that a shareholders' general meeting is suspended or no resolutions can be made thereat due to special circumstances such as force majeure, the convenor shall take necessary measures to restore the meeting as soon as possible or directly terminate the meeting, and make an announcement promptly.

SECTION 6 VOTING AND RESOLUTIONS OF THE SHAREHOLDERS' GENERAL MEETING

Article 105 Resolutions of the shareholders' general meeting shall be divided into ordinary resolutions and special resolutions.

To pass an ordinary resolution at a shareholders' general meeting, votes representing more than one half of the voting rights represented by the shareholders (including proxies) present at the meeting shall be exercised in favour of such resolution.

To pass a special resolution at a shareholders' general meeting, votes representing more than two thirds of the voting rights represented by the shareholders (including proxies) present at the meeting shall be exercised in favour of such resolution.

Mandatory Provisions Article 64

Article 106 When voting in the shareholders' general meeting, a shareholder (including its proxy(ies)) shall exercise its voting rights in respect of the number of voting shares it represents, each share shall have one vote.

The shares of the Company held by itself have no voting rights and shall not be counted into the total number of shares carrying voting rights at the shareholders' general meeting.

Mandatory Provisions Article 65

Article 107 Any vote of shareholders at a general meeting must be taken by poll except where the holder of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Mandatory Provisions Article 66

Article 108 A poll demanded on the election of the chairman of the meeting, or on a question of adjournment of the meeting, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

Mandatory Provisions Article 67

Article 109 On a poll taken at the meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his or her votes in the same way.

Mandatory Provisions Article 68

Article 110 In the case of a tie, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to one additional vote.

Mandatory Provisions Article 69

Article 111 The following matters shall be passed by way of ordinary resolutions at a shareholder's general meeting:

- (I) the work report of the Board of Directors and the Supervisory Committee;
- (II) the Board's proposed profit distribution plan and loss recovery plan;
- (III) the appointment and removal of members of the Board of Directors and the Supervisory Committee and their remuneration and payment methods;
- (IV) the Company's annual budget and final accounts reports;
- (V) the Company's annual report, balance sheet, income statement and other financial statements;
- (VI) other matters other than those that are required to be passed by special resolution under laws, administrative regulations or provisions hereof.

Mandatory Provisions Article 70

Article 112 The following matters shall be passed by way of special resolutions at a shareholder's general meeting:

- (I) increase or reduction of the Company's registered capital;
- (II) the issuance of any class of shares, warrants, debentures and other similar securities of the Company;
- (III) the issuance of debentures of the Company;

- (IV) the division, merger, dissolution and liquidation of the Company or the change of the Company type;
- (V) amendments to these Articles of Association;
- (VI) equity incentive plans;
- (VII) other matters which are required to be passed by special resolution under laws, administrative regulations or these Articles of Association, and which are supposed to have a significant impact on the Company if they are passed by ordinary resolution at a shareholders' general meeting, and which are required to be passed by special resolution.

Mandatory Provisions Article 71

Article 113 When connected transactions are voted at the shareholders' general meeting, the following interested shareholders shall not participate in voting. The voting shares represented by them shall not be counted in the total number of shares validly voted. The voting of uninterested shareholders shall be disclosed fully in the resolutions of a shareholders' general meeting.

Connected shareholders (including proxies) connecting to such connected matters shall attend the shareholders' general meeting and express their opinions to shareholders present in the meeting according to the procedures of the meeting, while they must abstain from voting.

In the event that such connected shareholders do not abstain from voting, non-connected shareholder could request them to abstain.

Article 114 The Company shall, on the premise of ensuring the lawfulness and validity of the shareholders' general meeting, provide facilities to the shareholders attending the shareholders' general meeting by adopting various methods and channels.

Article 115 The list of candidates for directors and supervisors shall be submitted to the shareholders' general meeting for voting in the form of a proposal.

Right and procedures for nomination of directors and supervisors are as follows:

- (I) nomination of candidates for directors agreed by the Director;
- (II) nomination of candidates for non-staff representative supervisors agreed by Supervisory Committee;
- (III) Directors holding individually or in aggregate more than 3% of the voting right of the Company have right to nominate candidates for directors and non-employee representative supervisors.

For the abovementioned (III) case, after issue of notice of general meeting by the Company about election of Directors, non-employee representative supervisors of the general meeting, shareholders with nomination rights may, in accordance with the provisions of the Articles of Association, propose candidates for directors and non-employee representatives supervisors before the general meeting. The Nomination Committee of the Board of Directors shall conduct preliminary verification on the qualification and conditions of appointment of the candidates for directors, and propose the qualified candidates to the Board of Directors for consideration. The Board of Directors submits the candidate qualification to the shareholders meeting for approval after the receiving of the qualification of the candidate.

Candidates of directors and non-employee representative supervisors shall make a written commitment before the Shareholders' General Meeting and agree to accept the nomination, guarantee the authenticity and completeness of publicly disclosed information and promise to earnestly fulfill their duties after being elected. The Board of Directors shall disclose the detailed information of candidates of directors and non-employee representative supervisors to shareholders in accordance with laws, regulations and the Articles to guarantee that shareholders have a sufficient understanding of these candidates.

The written notice of intention to propose candidates for nomination as a director and a non staff representative and the written notice by such person of his/her willingness to be nominated, shall be sent to the Company no earlier than the day after the dispatch of the notice of the shareholders' general meeting and no later than seven days prior to the date of such meeting. The minimum length of period during the nomination and acceptance of nomination will be at least seven days.

Article 116 All proposals shall be voted one by one at the shareholders' general meeting. If there are different proposals in relation to the same matter, the proposals shall be voted in sequence of the time of submission of the proposals. Unless the shareholders' general meeting is suspended or that a resolution cannot be made due to special reasons including force majeure, the shareholders' general meeting shall not put off the proposals or refuse to vote on the proposals.

Article 117 When the proposals are being examined at the shareholders' general meeting, the proposals shall not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' general meeting.

Article 118 Before the proposals are being voted at shareholders' general meeting, two shareholder representatives shall be elected to participate in vote counting and monitoring. If these shareholders are interested in the matters to be examined, the relevant shareholders or their proxies shall not participate in the vote counting or monitoring.

When resolutions are to be voted at the shareholders' general meeting, the counting of votes and scrutinizing of the voting-counting shall be conducted in accordance with the Listing Rules of the place of listing by one or more parties (or by other connected persons engaged according to Listing Rules) involving lawyers, shareholder representatives, supervisor representatives, the Company's auditor, share registrar of overseas-listed shares listed in Hong Kong or external accountants of the Company qualified to serve as the Company's auditor. The voting results shall be announced during the meeting and the voting results shall be recorded in the minutes of the meeting.

Article 119 The chairman of the meeting shall announce details and results of the voting on each proposal, and announce whether a proposal is passed according to the voting results.

Before announcing the poll results officially, the Company, the vote-counter, the voting scrutineer, our major shareholders involved in the voting at the shareholders' general meeting shall assume confidentiality obligations.

Article 120 Shareholders present at the shareholders' general meeting shall give one of the following comments to the proposals put forward for voting: for, against or abstain.

If the voting slip has not been completed or has been completed incorrectly or that the writing is illegible or that the voting slip has not been cast, it shall be treated that the voter has renounced his/her voting rights and the voting results of the relevant number of shares held by him/her shall be counted as “abstain”.

Article 121 The chairman of the meeting shall decide whether or not the resolutions of the General Meeting have been passed, and his/her decision shall be final and shall be announced and recorded in the minutes of meeting.

Mandatory Provisions Article 74

Article 122 If the chairperson of the meeting has any doubt on the poll results, he may arrange for vote counting. If the chairperson of the meeting does not arrange for vote counting and the shareholders or their proxies attending the meeting object to the results announced by the chairperson, they shall have the right to demand vote counting immediately after announcement of the voting results, and the chairperson of the meeting shall arrange for vote counting immediately.

Mandatory Provisions Article 75

Article 123 If counting of votes is held at a shareholders’ general meeting, the result of the counting shall be recorded in the minutes of the meeting.

Minutes of meetings together with the signature book of the shareholders attending the meeting and proxy forms shall be kept at the registered address of the Company.

Mandatory Provisions Article 76

Article 124 Shareholders can inspect copies of meeting minutes during office hours of the Company free of charge. If any shareholder requests for copies of relevant meeting minutes, the Company shall distribute the copies within 7 days after receiving a reasonable fee.

Mandatory Provisions Article 77

Article 125 The resolutions of the shareholders’ general meeting shall be announced in a timely manner. The announcement shall set out the number of shareholders and their proxies attending the meeting, the total number of voting shares held and the proportion to the total number of voting shares of the Company, the voting method, voting results of each proposal and details of the proposals which have been passed.

Article 126 If a proposal is not passed or a resolution passed at the previous shareholders’ general meeting is amended at such shareholders’ general meeting, it shall be set out as a special reminder in the announcement on resolutions of the shareholders’ general meeting.

Article 127 If the proposal regarding the election of the directors or supervisors is approved at the shareholders’ general meeting, the newly elected director or supervisor’s term of service shall commence immediately after the conclusion of the shareholders’ general meeting on which the resolution is passed.

Article 128 If the general meeting passes motions in connection with the distribution of cash dividend, allotment of bonus shares, or conversion of capital common reserve fund into share capital, the Company shall implement detailed plans thereof within 2 months after the conclusion of such shareholders' general meeting.

If a shareholder is not allowed to vote on some specific proposals or is restricted to vote for or against some specific proposals under the Listing Rules, any votes given by or on behalf of such shareholder against such provisions or restrictions shall not be included.

SECTION 7 SPECIAL VOTING PROCEDURES FOR CLASS SHAREHOLDERS

Article 129 Shareholders holding different types of shares shall be shareholders of different classes.

Shareholders of different classes shall enjoy the rights and assume the obligations stipulated by the laws, administrative regulations and the Articles.

Mandatory Provisions Article 78

Article 130 If the Company intends to change or abrogate the rights of shareholders of different classes, it may do so only after such change or abrogation has been approved by way of a special resolution of the shareholders' general meeting and by a separate class meeting convened by the affected shareholders of that class in accordance with Rule 132 to Rule 136 hereof.

Mandatory Provisions Article 79

Article 131 Under the following circumstances, rights of shareholders of a certain class shall be deemed to have been changed or abrogated:

- (I) an increase or decrease in the number of shares of such class or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (II) a re-classification of all or part of the shares of such class into the shares of another class, a conversion of all or part of the shares of another class into the shares of such class or the grant of a conversion right for such shares;
- (III) cancellation or reduction of rights attached to such class of shares in relation to the accrued dividends or cumulative dividends;
- (IV) a reduction or cancellation of rights attached to such class of shares in relation to the priority to dividends or property distribution during liquidation of the Company;
- (V) increase, cancellation or reduction of share conversion rights, options, voting rights, transfer rights, preemptive rights to rights issues or rights to acquire securities of the Company attached to that class of shares;
- (VI) cancellation or reduction of rights attached to the class of shares to receive amounts payable by the Company in a specified currency;
- (VII) a creation of a new class of shares with voting rights, distribution rights or other privileges equal or superior to the shares of that class;
- (VIII) an imposition of restrictions or additional restrictions on the transfer or ownership of shares of such

- class;
- (IX) issue of rights to subscribe for, or convert into, the shares of such class or another class;
 - (X) an increase in the rights and privileges of the shares of another class;
 - (XI) the restructuring plan of the Company may result in disproportionate liability to be borne by shareholders of different classes during the restructuring;
 - (XII) an amendment to or abrogation of the terms stipulated in the rules.

Mandatory Provisions Article 80

Article 132 Shareholders of the affected class, whether they originally have voting right at shareholders' general meeting or not, shall enjoy voting rights at class meeting of shareholders upon occurrence of events contemplated under Article 131 (II) to (VIII), (XI) to (XII). However, the interested shareholders shall not have voting rights at class meeting of shareholders.

Interested shareholders referred to in Previous Article shall have the following meaning:

- (I) where the Company has made a repurchase offer to all shareholders on a pro rata basis or made repurchase by means of an open offer at the stock exchange in accordance with Article 30 of the Articles of Association of the Company, "interested shareholders" refer to the controlling shareholders defined in Article 64 of the Articles of Association of the Company;
- (II) where the Company has made repurchases by means of agreement off the stock exchange in accordance with Article 30 of the Articles of Association of the Company, "interested shareholders" refer to the shareholders who are connected with that agreement; or
- (III) for the purpose of the Company's restructuring plan, "interested shareholders" refer to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy different rights and interests from other shareholders of the same class.

Mandatory Provisions Article 81

Article 133 Resolutions of class meeting of shareholders shall be made only after it is adopted through voting by more than two-thirds of voting shares represented by the shareholders present at the class meeting of shareholders according to previous Article hereof.

Mandatory Provisions Article 82

Article 134 For convening class meetings of shareholders, the notice period for the class meeting shall be the same as the notice period for the non-class meeting of shareholders to be convened on the same date.

Article 135 A notice of class meeting of shareholders only needs to be sent to those shareholders who have voting right at the meeting.

The procedures to convene class meeting of shareholders shall resemble that of shareholders' general meeting as far as possible. Terms concerning the procedures to convene shareholders' general meeting shall be applicable to class meeting of shareholders.

Mandatory Provisions Article 84

Article 136 Except shareholders of other classes of shares, shareholders of domestic shares and shareholders of overseas listed shares shall be regarded as shareholders of different classes.

Special procedures listed below are not applicable to the voting by shareholders of different classes:

- (I) After approval at the shareholders' general meeting by special resolutions, the Company issues domestic shares and overseas listed shares at an interval of twelve months, whether separately or jointly, and the domestic shares and overseas listed shares to be issued do not exceed 20% of the issued share capital of respective class of shares;
- (II) The plan to issue domestic shares and overseas listed shares when the Company was established was completed within fifteen months from the date of approval by the securities commission of the State Council;
- (III) Upon approval of the securities regulatory authorities of the State Council, the transfer by the Company's domestic shareholders of all or part of their shares to overseas investors for listing on overseas stock exchange(s), or the conversion of all or part of domestic shares into overseas listed shares for listing and trading on overseas stock exchange(s).

Domestic shares referred to in this section do not include overseas listed shares.

Mandatory Provisions Article 85 Zheng Jian Hai Han Article 3

CHAPTER 5 THE BOARD OF DIRECTORS

SECTION 1 DIRECTORS

Article 137 The directors shall be elected or replaced by the shareholders' general meeting; the term of office of each director is three (3) years. The director may, after the expiration of the term of office, serve consecutive terms if re-elected.

It is not necessary for directors to hold shares of the Company.

The term of office of a director shall commence from the date on which the director assumes office to the expiry of the current session of the board of directors. If the term of office of a director expires but re-election is not made responsively, the said director shall continue fulfilling the duties as a director pursuant to laws, administrative regulations, department rules and the Articles of Association until a newly elected director assumes office.

A written notice of the intent of candidates nominated for directors and the candidates' clear indication of their acceptance of nomination shall be delivered to the Company after the issue of notice of general meeting in relation to election of such director and at least seven (7) days before the shareholders' general meeting, and the notice period shall not be shorter than seven (7) days. The period within which the Company issues the above notice shall commence from the day after the dispatch of the notice convening the shareholders' general meeting for the election

of directors and shall end on the date which is seven(7) days prior to the date of such shareholders' general meeting.

Any director may be removed by an ordinary resolution passed at a shareholders' general meeting prior to the expiry of his/her term of office in accordance with relevant laws and administrative regulations (but the director's right to claim damages based on any contract shall not be affected).

Any person appointed as a director by the board of directors to fill a temporary vacancy or to increase the number of members of the board of directors shall only serve his/her office till next shareholders' general meeting (annual meeting) and be eligible for re-election thereat in accordance with relevant PRC laws and regulations and other regulations of the Articles of Association.

Mandatory Provisions Article 87
Zheng Jian Hai Han Article 4

Article 138 The directors shall abide by laws, regulations and the Articles of Association; they shall be faithful to the Company. The directors are prohibited from any of the following acts:

- (I) abusing their powers, taking any bribe or other illegal gains, or encroaching on the properties of the Company;
- (II) misappropriating the Company's funds;
- (III) opening an account in their own name or in the name of any other individual to deposit the Company's assets or funds;
- (IV) without the consent of the shareholder's general meeting or the board of directors, loaning the funds of the Company to others or using the Company's properties to provide guarantee for others in violation of the Articles of Association;
- (V) concluding contracts or dealing with the Company in violation of the Articles of Association or without the consent of the shareholders' general meeting;
- (VI) without the consent of the shareholders' general meeting, seeking, for the benefit of their own or others, any business opportunity of the Company by taking advantage of their powers, and operating for their own or for others any business that is of the same type as the Company;
- (VII) accepting, and keeping in their possession, commissions for the transactions between others and the Company;
- (VIII) disclosing the Company's secrets without authorization;
- (IX) by making use of their affiliation, prejudicing the interests of the Company;
- (X) committing other obligation of loyalty stipulated in laws, administrative regulations, regulations of department and the Article of Associations.

The Company shall be entitled to the income gained by the director from any of the acts listed in this provision; the director shall be liable for compensation if any loss is caused to the Company.

Article 139 The directors shall abide by laws, administrative regulations and the Articles of Association, and bear the following obligations to the Company:

- (I) exercise prudently, gravely and diligently the rights authorized by the Company in order to ensure the

commercial operation of the Company is in compliance with national laws, regulations as well as the various requirements of the national economic policies, commercial activities shall within the area stipulated in business license;

- (II) treat all the shareholders equally;
- (III) timely investigate the operation and management of the Company;
- (IV) sign a written confirmation to the Company's regular report and guarantee the truthfulness, accuracy and completeness of the information disclosed by the Company;
- (V) provide true and accurate information and material to the supervisory committee, and not impede the supervisory committee or supervisors from exercising its/their functions and powers;
- (VI) other obligations prescribed in relevant laws, administrative regulations, regulations of department and the Articles of Association.

Article 140 If any director fails to attend Board meetings in person or by proxy for two consecutive times, the said director shall be deemed incapable of performing his or her duties, and the Board shall suggest that the general meeting remove the said director.

Article 141 A director may resign before his term of office expires. In resigning his duties, a director shall tender a resignation to the Board in writing, and the disclosure of which will be made by the Board in two days.

If a director's resignation will result in the number of directors falling below the legally prescribed minimum, the original director shall continue to assume the responsibilities in accordance with the laws, administrative regulations, departmental regulations and these Articles before the newly elected director(s) take office.

Subject to the aforesaid events, a director's resignation shall be effected when the written notice of resignation is served on the board of directors.

Article 142 A director shall complete all handover procedures with the board once his resignation becomes effective or his office term expires. The director's duty of loyalty to the Company and the shareholders remains effective within one year from the end of his term of office.

The director's duty of confidentiality in relation to trade secrets of the Company remain effective after the termination of his term of office, until such secrets become public information. The periods of other duties shall be determined according to principle of fairness, and subject to the duration from the occurrence of the event to the resignation, and the situations and conditions where the director and the Company terminate their relationship.

Article 143 Without the lawful authorization by the Articles or the board of directors, no director shall act for the Company or the board of directors in his own name. Where a director acts in his own name, and the third party would reasonably think the director is acting for the Company or the board of directors, he shall declare his position and identity in advance.

Article 144 If a director violates laws, administrative regulations, department rules or the provisions of the Articles when performing his duties in the Company and causes losses to the Company, such director shall be liable for the losses.

Article 145 Independent non-executive directors shall act according to relevant provisions of laws, administrative regulations and department rules.

SECTION2 BOARD OF DIRECTORS

Article 146 A Board of Directors of the Company shall be established to report to the shareholders' general meeting.

The Board shall consist of 8 members, including 1 Chairman, and 7 members. Among the members at least one third or more of them shall be independent non-executive directors (means directors who are independent of the company and the company's shareholders and do not serve within the company) , and there is also at least 3 independent non-executive directors (at least one of independent non-executive directors shall be an accounting professional).

Independent non-executive directors may directly report to the general meeting, the securities regulatory authority and other relevant departments in China.

Mandatory Provisions Article 86 Opinions Article 6

Article 147 The Board shall exercise the following authority and powers:

- (I) to convene general meetings and report to the general meetings;
- (II) to implement the resolutions passed at general meetings;
- (III) to determine the Company's business plans and investment schemes;
- (IV) to prepare the Company's annual financial budget and final accounts;
- (V) to formulate the Company's profit distribution plan and loss recovery plan;
- (VI) to formulate proposals for increases or reductions of the Company's registered capital and for the issuance and listing of corporate bonds or other securities;
- (VII) to draft plans for material acquisition, share repurchase, merger, division, dissolution or change in corporate form;
- (VIII) to determine matters relating to the Company's external investment, asset acquisition and disposal, asset mortgage, external guarantee, asset management mandate and connected transaction within the authorisation of the general meeting;
- (IX) to determine the establishment of the Company's internal management structure;
- (X) to appoint or dismiss the Company's manger and the secretary of the Board; and pursuant to the manger's nominations, to appoint or dismiss senior officers including vice mangers and chief financial officer of the Company and to decide on their remuneration, rewards and penalties;
- (XI) to formulate the Company's basic management system;
- (XII) to formulate the proposed amendments to these Articles of Association;
- (XIII) to deal with information disclosures of the Company;
- (XIV) to propose to the general meeting for appointment or replacement of the accounting firms serving as the auditors of the Company;
- (XV) to receive work report submitted by the manger and to review his performance;
- (XVI) to exercise other duties and powers specified in the laws, administrative regulations, rules ,the Articles of Association or in compliance with the provision where the shares of the Company are listed.

The Board's resolutions on the matters set out in the preceding paragraph, save for items (VI), (VII) and (XII) which shall require the consent of two-thirds or more of the directors, shall be passed by a simple majority of all directors.

Mandatory Provisions Article 88

Article 148 Except for the external guarantees that shall be considered by a shareholders' general meeting as required by these Articles of Association, all external guarantees of the Company shall be considered and approved by the Board of Directors.

Article 149 The Board of Directors shall give explanations at the General Meeting on the non-standard auditing opinions issued by the certified public accountants to the Company's financial reports.

Article 150 The Board of Directors shall be responsible for the formulation of rules of procedure to ensure that the resolutions passed at the shareholders' meeting are put into practice, to ensure a more productive operation of the Board of Directors, and to ensure that a scientific decision-making procedure is in place. Such rules shall be submitted to the shareholders' meeting for its approval.

Article 151 The Board of Directors shall, in accordance with the relevant provisions of the place where the company's shares are listed, determine the approval authority for major issues and establish a strict review and decision-making procedure.

Article 152 In the event of disposal of assets by the Board of Directors, if the aggregated sum of the expected value of the fixed assets to be disposed of and the realized value of the disposed fixed assets within four months prior to such a disposal proposal exceeds 33% of the value of the fixed assets shown on the latest balance sheet reviewed in the shareholders' general meeting, the Board of Directors shall not dispose of or agree to dispose of such fixed assets without obtaining an approval in the shareholders' general meeting.

The disposal of fixed assets referred to in this article includes the transfer of certain interests of assets, but excludes the use of fixed assets as collateral for the provision of guarantees.

The validity of transactions conducted by the Company in the disposal of fixed assets shall not be affected by the breach of the first paragraph of this article.

Mandatory Provisions Article 89

Article 153 The Board of Directors shall have one chairman. The Chairman shall be elected by a simple majority of votes of all directors.

Article 154 The chairman of the Board shall exercise the following functions and powers:

- (I) to preside over shareholders' general meetings and to convene and preside over board meetings;
- (II) to supervise and monitor the implementation of resolutions of board meetings;

- (III) to sign the certificates of securities issued by the Company;
- (IV) to sign important documents of the Board and other documents which should be signed by the Company's legal representative;
- (V) to exercise the authority and powers of a legal representative;
- (VI) to exercise special discretionary power on corporate affairs in accordance with laws and in the Company's interests in case of emergency situations such as the occurrence of natural disasters of an exceptional scale and other force majeure events, and provide aftermath reports to the Board and shareholders' general meeting;
- (VII) other duties and powers as authorized by the Board.

Mandatory Provisions Article 90

Article 155 In the event that the chairman is unable to or fails to perform his duties, a director jointly elected by more than half of the directors to perform his duties.

Article 156 Pursuant to relevant laws and regulations and normative documents, the Board of Directors shall establish audit committee, remuneration and appraisal committee, nomination committee and strategic development committee, budget committee and other special committees. Members of the special committees shall be fully comprised of directors, among which independent non-executive directors shall account for a majority of audit committee, nomination committee and remuneration and appraisal committee and shall serve as their convener. At least one independent non-executive directors of the audit committee shall be an accounting professional.

The Board of the Company has an audit committee, which is comprised of non-executive directors and has no less than three members (most of whom should be independent non-executive directors). The chairman of the audit committee must be an independent non-executive director. At least one member of the audit committee shall have appropriate professional qualifications or relevant financial and management knowledge.

Main responsibilities of the audit committee include:

- (I) to propose the appointment or replacement of the external audit firm;
- (II) to supervise the Company's internal audit system and its implementation;
- (III) to be responsible for the communication between internal and external auditors;
- (IV) to review the Company's financial information and its disclosure;
- (V) to review the Company's internal control system.

The Board of the Company has a remuneration committee, which shall be comprised of directors and shall have at least three members. Independent non-executive directors shall account for a majority of this committee and one of them shall serve as the chairman of the committee.

Main responsibilities of the remuneration committee include:

- (I) to recommend to the Board with respect to the remuneration policies for all directors and senior management, and the formulation of procedures for such policies in a proper and transparent manner;
- (II) to review the remuneration of the directors and senior management in accordance with the corporate

- objectives formulated by the Board;
- (III) to review the compensation to be paid to the directors or senior management with respect to their removal or appointment;
 - (IV) to ensure no directors or any of its associates may decide their own remuneration;
 - (V) other responsibilities as delegated by the Board.

The Board of the Company has a nomination committee, which shall be fully comprised of directors and shall have at least three members. Independent non-executive directors shall account for a majority of this committee and the chairman of the Board or an independent non-executive director shall serve as the chairman of the committee.

Main responsibilities of the nomination committee include:

- (I) to review the structure, the number of directors and composition (including the skills, knowledge and experience) of the Board, with reference to the operations, assets scale and equity structure of the Company, at least once annually and make recommendations to the Board on any proposed changes concerning the Directors in line with the implementation of the Company's corporate strategy;
- (II) to study on the selection criteria and procedures of the Directors, general managers and the secretary of the Board and to make recommendations to the Board;
- (III) to identify competent candidates of the Directors, general manager and the secretary of the Board, and select or make recommendations to the Board on the relevant candidates for directorships;
- (IV) to review and make recommendations to the Board on the candidates of the Directors, general manager and the secretary of the Board;
- (V) to review and make recommendations on the other senior management which has to be submitted to the Board for appointment;
- (VI) to review the independence of independent non-executive Directors;
- (VII) to make recommendations to the Board on the appointment or re-appointment of Directors and any succession plan for Directors, in particular the chairman and the chief executive officer;
- (VIII) other matters conferred by the Board.

Article 157 Special committees may engage intermediary institutions to provide professional opinions and relevant expenses shall be borne by the Company.

Article 158 Special committees shall be accountable to the Board. The investigation results of special committees within their respective scope of responsibility shall be reported to the Board and proposals by special committees shall be submitted to the Board for determination.

Article 159 The Board shall at least hold 4 regular meetings each year. Board meetings shall be convened by the Chairman and written notice of the meeting shall be served on all directors and supervisors 14 days before the date of the meeting. At a regular Board meeting, directors' approval shall not be obtained by means of circulation of written resolution.

Mandatory Provisions Article 91
Mandatory Provisions Article 92

Article 160 An extraordinary Board meeting may be convened if proposed by shareholders representing more than one-tenth of the voting rights, more than one-third of the Directors or members of the Supervisory Committee. The chairman shall convene and preside over the Board meeting within ten days after receiving the proposal.

The form of notice of convening an extraordinary meeting of the Board shall be sent by hand, mail, fax, email and etc. The notice shall be served at least 5 days before the date of the extraordinary meeting of the Board. Subject to the consent of all members of the Board, the foregoing requirement of notification may be waived.

The agenda of the regular Board meeting and relevant meeting documents shall be delivered to all directors as soon as possible but in no event later than three (3) days before the proposed meeting date (or other agreed date) of the Board or its committees.

Mandatory Provisions Article 92

Article 161 Any resolution subject to be approved by over two thirds of the Board members shall be informed to all Directors within the timeframe provided by the Article. Sufficient information shall be provided and the stipulated procedure shall be abided by. Where more than a quarter of Directors or more than two external Directors hold the opinion that such information is not sufficient or the proof is not clear, they may propose jointly to postpone the meetings of the Board or the discussion of certain issues of such meetings, and this proposal shall be adopted by the Board.

Opinions Article 3

Article 162 Notices of the Board meetings shall include:

- (I) the time and venue of the meeting;
- (II) the duration of the meeting;
- (III) causes and agenda;
- (IV) the date of dispatch of the notices.

Article 163 A board meeting shall be held only if it has a quorum of more than half of the directors. Resolutions passed at the Board meeting must be approved by more than half of the directors. The purchase or sale of major assets, external investments, external guarantees and connected transactions subject to approval by the Board of Directors shall be considered and approved by more than two thirds of Directors attending the Board meeting with the passing of a resolution as well.

Each director shall have one vote for the voting of the resolution of the Board meeting.

Where the number of votes cast for and against a resolution is equal, the chairman shall have a casting vote.

Except for cases as provided in the appendix 3 note 1 of the Listing Rules or as permitted by the Hong Kong Stock Exchange, directors shall not vote on resolutions of the Board in respect of any contract, arrangement or any other suggestion in which they are substantially interested through themselves or any of their close associates (as defined in the Listing Rules). When determining whether the quorum is reached, such directors shall not be counted.

When the Board meeting is considering a transaction between the Company or any of its subsidiaries and the controlling shareholder of the Company or any subsidiaries of that controlling shareholder (excluding the Company and any of its subsidiaries), any directors who also work as directors and/or senior management of the Company's controlling shareholders or any subsidiaries of that controlling shareholders (excluding the Company and any of its subsidiaries) shall abstain from voting and such directors shall not be included in the quorum of the Board meeting. If no quorum is present at the Board meeting as a result of the aforesaid abstention, the relevant transaction shall be submitted for shareholders' consideration at a general meeting.

For definitions of "controlling shareholders" and "subsidiaries" specified in this article, please refer to Listing Rules.

If there exists conflicts of interests deemed to be material by the Board found in the matters to be considered by substantial shareholders (as defined in the Listing Rules) or directors at the Board, the relevant matters shall be handled by means of holding a Board meeting (but not written resolutions). Independent non-executive directors themselves and their close associates (as defined in the Listing Rules), have no material interest in the transaction should be present at such Board meeting.

Mandatory Provisions Article 93

Article 164 When a director is considered a connected person of the enterprise involved in a resolution of the Board, such director shall refrain from voting on such resolution nor can he/she exercise any voting rights on behalf of others directors. The meeting may be held if the quorum is met by more than one half of the unconnected directors. Resolutions of the Board meeting shall be passed by more than one half of the unconnected directors. If the number of unconnected directors present at the Board meeting is less than three, such matter shall be put forward to a shareholders' general meeting for discussion and consideration.

Article 165 The vote on board resolutions shall be on-site voting.

As long as all directors can fully express their opinions, an extraordinary board meeting may be held by other ways and resolutions passed shall be signed by all participating directors.

Article 166 Directors shall attend board meetings in person; If a director cannot attend board meeting due to whatever reasons, he/she may appoint another director in writing to attend on his/her behalf. The form of entrustment shall state the name of the proxy, the relevant matter to be entrusted, scope of authorization and validity period and shall be signed or sealed by the appointor. The director attending the meeting on other's behalf shall exercise his/her rights within the scope of authorization. If a director cannot attend a board meeting and fails to appoint a proxy to attend the meeting on his behalf, the director shall be deemed to have waived his/her voting right at that meeting.

Mandatory Provisions Article 94

Article 167 Minutes shall be taken for decisions made on matters discussed at the meeting and directors attending the meeting and the person taking the minutes shall sign on the minutes. Directors shall be accountable for the Board resolutions. If a board resolution violates the laws, administrative regulations or these Articles of Association thus

causing losses to the Company, the directors participating in the resolutions shall be liable to compensate the Company for the losses. However, if it is verified that a director had stated his/her objection when voting and the same was recorded in the minutes, such director may be exempted from such liability.

Opinions expressed by independent non-executive directors shall be stated in the resolution of the Board.

Minutes of Board meetings shall be kept and filed by the Company for 10 years.

Mandatory Provisions Article 95
Opinions Article 6

Article 168 The minutes of board meetings shall include the following:

- (I) date and venue of the meeting and the name of the convener;
- (II) names of the attending directors and names of those appointed by others (proxies) to attend the Board meeting;
- (III) agenda of the meeting;
- (IV) main points of the statements of directors;
- (V) the method and results of voting for each resolution (the voting results shall clearly state the number of votes for or against the resolution or abstention).

CHAPTER 6 MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS

Article 169 The Company shall have one manager who shall be appointed or dismissed by the Board.

The Company shall have certain vice-managers, who shall be nominated by the manager and appointed or dismissed by the Board of the Company.

The Company's manager, vice-managers, the Chief Financial Officer, the Secretary of the Board, responsible person for risk control matters and responsible person for investment business are the senior management officers of the Company.

Mandatory Provisions Article 99

Article 170 Requirements set out in Article 138 hereof with respect to the directors' duty of good faithfulness and the requirements set out in Article 139 (IV) to (VI) hereof with respect to the directors' obligations of integrity and diligence shall also be applicable to the President and other senior management officers.

Mandatory Provisions Article 102

Article 171 The term of office of a manager shall be 3 years. A manager may serve consecutive terms if reappointed.

Article 172 The manager of the Company shall be responsible to the Board and exercise the following functions and powers:

- (I) to be in charge of the production, operation and management of the Company, to organize and implement the resolutions adopted by the Board, and to report his work to the Board of Directors;
- (II) to organize and implement the annual business plans and investment plans of the Company;
- (III) to draft schemes for the establishment of the Company's internal management departments;
- (IV) to draft the basic management system of the Company;
- (V) to formulate the detailed rules and regulations of the Company;
- (VI) to make proposals regarding the appointment or removal of the vice-managers and chief financial officers of the Company;
- (VII) to appoint or remove managerial officers other than those to be appointed or removed by the Board of Directors;
- (VIII) other duties and powers authorized by these Articles of Association or the Board.

The manager shall be present at the meetings of the Board of Directors, but a non-director manager shall not have the voting rights at such meetings.

Mandatory Provisions Article 100
Mandatory Provisions Article 101

Article 173 The manager shall formulate detailed working rules for the manager and submit the same to the Board of Directors for approval and, upon such approval, implement such rules.

Article 174 The detailed working rules formulated for the manger shall include the following:

- (I) conditions and procedures for convening and participants of the manager's meetings;
- (II) specific duties of the manager and other senior management officers;
- (III) the use of funds and assets of the Company, authority to enter into material contracts and systems for reporting to the Board of Directors and Supervisory Committee;
- (IV) other matters as deemed necessary by the Board of Directors.

Article 175 The manager may resign prior to the expiration of his term of office. The detailed procedures for the manager's resignation shall be set out in the service contract entered into between the manager and the Company.

Article 176 The vice-managers shall assist the president in his work, be accountable to the manager and shall be authorized to perform part or whole functions and power of the manager in his absence.

Article 177 The Company shall have a Secretary to the Board, who shall be responsible for the preparation of the shareholders' general meetings and meetings of the Board, document keeping as well as the management of shareholders' information, information disclosure and other matters. The Secretary of the Board shall be a senior management officer of the Company. The management officers of the controlling entities shall not concurrently serve as the secretary to the Board of the Company.

The Secretary of the Board shall comply with laws, administrative regulations, regulations of the regulatory authorities and these Articles of Association.

Mandatory Provisions Article 96
Opinions Article 1

Article 178 The office of the Secretary of the Board shall be held by a natural person with necessary professional knowledge and experience, who shall be appointed by the Board. The major duties of the Secretary of the Board are:

- (I) to ensure that the Company's organizational documents and records intact;
- (II) to ensure that the Company prepares and delivers the reports and documents required by competent authorities in accordance with the laws;
- (III) to ensure that the Company's registers of shareholders are properly maintained, and that persons entitled to access to relevant records and documents are furnished with such records and documents without delay.

Mandatory Provisions Article 97

Article 179 A director or other senior management officer of the Company may concurrently serve as the secretary to the Board. No accountant of the accounting firm or attorney of law firm engaged by the Company shall concurrently serve as the secretary to the Board.

Where a director concurrently serves as the secretary to the Board and a certain act needs to be done by directors and the secretary to the Board respectively, he shall not do the act in his double capacities.

Mandatory Provisions Article 98

Article 180 The senior management officers shall be liable for any losses caused to the Company by their breach of any law, regulation, rule or these Articles of Association in performing their duties on behalf of the Company.

CHAPTER 7 SUPERVISORY COMMITTEE

SECTION1 SUPERVISORS

Article 181 The Directors, manager and other senior management officers shall not act as Supervisors concurrently.

Mandatory Provisions Article 106

Article 182 Supervisors shall observe the laws, administrative regulations and these Articles of Association, owe fiduciary duties and due diligence duties to the Company. They shall not use the authority to take bribes or solicit other illegal incomes, and never encroach upon the Company property.

Mandatory Provisions Article 111

Article 183 The term of office of a supervisor shall be 3 years. A supervisor may take another term if he/she is reelected after the expiration of his/her term.

Mandatory Provisions Article 104

Article 184 If the reelection is not conducted in time after the term of a supervisor expires or the resignation of the supervisor causes the members of the Supervisory Committee to fall short of the quorum, the supervisor shall still perform the supervisor's duty in line with the laws, administrative regulations and these Articles of Association until the new supervisor takes office.

Article 185 Supervisors shall guarantee the truth, accuracy and integrity of the information disclosed by the Company.

Article 186 Supervisors may attend the meeting of the Board of Directors as non-voting participants, and question or make recommendations on the resolutions to be passed by the Board of Directors.

Article 187 Supervisors shall not use their connections to prejudice the interest of the Company. If any loss is thus incurred by the Company, they shall be held liable.

Article 188 If a supervisor violates the laws, administrative regulations, department rules or these Articles of Association in the performance of their duties in the Company and incurs a loss to the Company, he/she shall be held liable.

SECTION2 SUPERVISORY COMMITTEE

Article 189 The Company shall establish a supervisory committee, which shall be composed of three supervisors.

The Supervisory Committee shall have one chairman. The appointment and dismissal of the chairman shall be voted and adopted by more than two-thirds of the members of the Supervisory Committee.

The chairman of the Supervisory Committee shall convene and preside over the meeting of the Supervisory Committee. If the chairman of the Supervisory Committee is unable or fails to perform this duty, a Supervisor jointly elected by more than half of the Supervisors shall convene and chair the meeting of the Supervisory Committee.

The Company shall increase the proportion of the external supervisors (those members not being employed by the Company). If the Supervisory Committee is due for re-election, it shall have one second of their member as external members and shall consist of more than two independent supervisors (those supervisors who are independent from the shareholders and not being employed by the Company). The external supervisors shall have the right to report to the shareholders' meeting of the honesty, diligence and performance of the senior management staff of the Company.

Mandatory Provisions Article 103

Mandatory Provisions Article 104

Zheng Jian Hai Han Article 5

Article 190 The Supervisory Committee shall consist of shareholder representatives and employee representatives, among which the employee representatives shall not be less than one third.

The shareholder representative shall be elected and removed by the shareholders' general meeting. The employee representative shall be democratically elected and removed by the employees of the Company via the meeting of the employee representatives etc.

Mandatory Provisions Article 105

Article 191 The supervisory committee shall be responsible to the shareholders' general meeting and exercise the following functions and powers in accordance with the laws:

- (I) to examine the Company's financial affairs;
- (II) to supervise the performance of duties by the Directors and senior management officers, and propose to remove Directors and senior management officers who have violated the laws, administrative regulations, these Articles of Association or resolutions of the shareholders' general meeting;
- (III) to require the Directors and senior management officers to correct the conduct of the Directors and senior management officers that may harm the interest of the Company;
- (IV) to examine the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board to the shareholders' general meetings and, should any query arise, to engage, in the name of the Company, certified public accountants and practicing auditors to conduct a re-audit;
- (V) to propose to hold an extraordinary general meeting, and convene and preside over the shareholders' general meeting when the Board of Directors is unable to fulfill its duty to convene and preside over the shareholders' general meeting specified by the Company Law;
- (VI) to submit proposals to the shareholders' general meeting;
- (VII) to deal with Directors on behalf of the Company and to take legal action against the Directors and senior management officers according to Rule 151 of the Company Law;
- (VIII) to conduct an investigation when finding irregularities in the operation of the Company. Professional organizations including accounting firms and law firms may be engaged when necessary, with the relevant costs to be borne by the Company;
- (IX) to exercise other functions and powers specified in the Articles of Association;

Supervisors shall attend the Board meeting.

Mandatory Provisions Article 108

Article 192 General meeting of the Supervisory Committee shall be held at least once every 6 months. A supervisor may propose to hold an extraordinary meeting of the Supervisory Committee. A resolution made by the Supervisory Committee shall be voted on and adopted by more than two-thirds of the members of the Supervisory Committee.

A resolution made by the Supervisory Committee shall be voted on and adopted by more than two-thirds of the members of the Supervisory Committee.

Mandatory Provisions Article 107

Zheng Jian Hai Han Article 6

Article 193 The Supervisory Committee shall formulate the rules of procedure for the Supervisory Committee which specifies method of discussion and voting procedure of the Supervisory Committee, to ensure the working efficiency and scientific decision-making of the Supervisory Committee. The rules of procedure for the Supervisory Committee shall be drawn up by the Supervisory Committee and approved by the shareholders' general meeting.

Mandatory Provisions Article 109

Article 194 The Supervisory Committee shall record the decisions made on the issues discussed at the meeting in the minutes, which shall be signed by the Supervisors present at the meeting.

Any Supervisor shall have the right to have certain explanatory note entered into the minutes regarding his/her statements at the meeting. The minutes of the Supervisory Committee shall be saved in the archives of the Company for a period of 10 years.

Article 195 Notices of the meetings of the supervisory committee shall include:

- (I) the time, venue and duration of the meeting;
- (II) causes and agenda;
- (III) the date of dispatch of the notices.

Article 196 The supervisory committee may express its opinion on the appointment of a accountants' firm by the Company. It may appoint a different accountants' firm if necessary on behalf of the Company to examine the financial position of the Company independently, and may directly report to the securities regulatory authority under the State Council and other relevant authorities.

Opinions Article 7

Article 197 All reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors by the supervisory committee in exercising its functions and powers shall be borne by the Company.

Mandatory Provisions Article 110

CHAPTER 8 QUALIFICATIONS AND OBLIGATIONS OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS OF THE COMPANY

Article 198 A person shall be disqualified from being a director, supervisor, manager or other senior management officer of the Company in any one of the following circumstances:

- (I) the individual has no capacity to undertake civil liabilities or restricted capacity to undertake civil liabilities;
- (II) a period of 5 years has not yet elapsed since the penalisation on conviction of corruption, bribery, unauthorised taking of properties, misappropriation of properties or disrupting social and economic order; or a period of 5 years has not yet elapsed since being deprived of political rights for commission of offences;

- (III) a period of 3 years has not yet elapsed since the completion of the liquidation of any company or enterprise which was insolvent due to unsound business operation and management and where the person acted as a director, factory manager or manager of such company or enterprise and was personally liable for such insolvency;
- (IV) a period of 3 years has not yet elapsed since revocation of the business licence of a company or enterprise due to illegal business operations where the person was the legal representative of such company or enterprise and for which he was personally liable;
- (V) the person is personally liable for a substantial loan which was due for payment but remains unpaid;
- (VI) the person has been involved in criminal offences subject to investigation by judicial authorities and the case has yet been settled;
- (VII) the person is not eligible for acting in the leadership of a company or enterprise according to the laws or administrative regulations;
- (VIII) the person is not a natural person;
- (IX) a period of 5 years has not yet elapsed since the person was adjudged by the relevant governing authority to be guilty of contravention of provisions of securities regulations involving fraud or dishonesty.

Mandatory Provisions Article 112

Article 199 The validity of an act of a director, manager or other senior management officer of the Company acting on behalf of the Company against any bona fide third party shall not be affected by any irregularity in his appointment, election or any defects in his qualification.

Mandatory Provisions Article 113

Article 200 In addition to the obligations imposed by the laws and administrative regulations or required by the listing rules of the stock exchange on which the shares of the Company are listed, a director, supervisor, manager or other senior management officer owes a duty to each shareholder for the following in the exercise of the powers entrusted to him:

- (I) not to cause the company to exceed the scope of business stipulated in its business licence;
- (II) to act honestly in what he considers to be in the best interests of the Company;
- (III) not to expropriate in any manner the properties of the Company, including but not limited to usurp the opportunities beneficial to the Company;
- (IV) not to expropriate the individual rights of shareholders including but not limited to rights of distribution and voting rights save and except pursuant to a restructuring of the Company submitted for approval of the shareholders in general meeting in accordance with these Articles of Association.

Mandatory Provisions Article 114

Article 201 A director, supervisor, manager or other senior management officer of the Company owes a duty in the exercise of his powers and discharge of its duties to exercise the care, diligence and skill that a reasonable prudent person would exercise in comparable circumstances.

Mandatory Provisions Article 115

Article 202 Each director, supervisor, manager or senior management officer shall in the discharge of his duties observe obligations of a fiduciary not to place himself in a position where his interest and the obligations undertaken may conflict. This principle shall include but not be limited to the following obligations:

- (I) to act honestly in what he considers to be in the best interests of the Company;
- (II) to exercise the powers vested in him and not to exceed the scope thereof;
- (III) to exercise the discretionary power granted to him personally and not allow himself to act under the direction of another and unless and to the extent permitted by the laws and administrative regulations or informed consent of shareholders in general meeting, not to delegate the exercise of his discretion;
- (IV) to treat the shareholders of the same class equally and treat the shareholders of different classes fairly;
- (V) except in accordance with these Articles or with the informed consent of shareholders in general meeting, not to enter into any contract, transaction or arrangement with the Company;
- (VI) without the informed consent of shareholders in general meeting not to use the Company's property for his own benefit;
- (VII) not to use his authority for obtaining bribes or other illegal income and not to expropriate in any manner the property of the Company including but without limitation, not to usurp opportunities beneficial to the Company;
- (VIII) without the informed consent of the shareholders in general meeting, not to accept commission in connection with the Company's transactions;
- (IX) to observe the Articles of Association; to perform his duties faithfully; to protect the interests of the Company; not to use his position and authority in the Company to make his own benefit;
- (X) not to compete in any way with the Company without the informed consent of shareholders in general meeting;
- (XI) not to misappropriate the funds of the Company or make loans to the others out of the funds of the company; not to deposit the assets of the Company into accounts under his name or any other name; not to use the assets of the Company as security for loans to shareholders of the Company or any other persons;
- (XII) not to disclose confidential information of the Company acquired by him during the term of office without the informed consent of shareholders in general meeting; not to use the information other than in furtherance of the interests of the Company, save and except that disclosure of such information to the court of law or other government authorities is permitted if:
 - 1. disclosure is required by the laws;
 - 2. there is a duty to disclose in the interests of the public;
 - 3. it is in the personal interests of such director, supervisor, manager or other senior management officer to require disclosure.

Mandatory Provisions Article 116

Article 203 A director, supervisor, manager and other senior management officer of the Company shall not cause any of the following person or association (the "associates") to do such things as such director, supervisor, manager or other senior management officer is prohibited from doing so:

- (I) the spouse or minor child of that director, supervisor, manager or other senior management officer of

- the Company;
- (II) the trustee of that director, supervisor, manager or other senior management officer of the Company or any person referred to in paragraph (I) of this Article;
- (III) the partner of that director, supervisor, manager or other senior management officer of the Company or any person referred to in paragraphs (I) and (II) of this Article;
- (IV) a company in which that director, supervisor, manager or other senior management officer of the Company alone or jointly with one or more of the persons referred to in paragraphs (I), (II) and (III) of this Article or other directors, supervisors, managers or other senior management officers of the Company, has a de facto controlling interest;
- (V) a director, supervisor, manager or other senior management officer of a company being controlled as referred to in paragraph (IV) of this Article.

Mandatory Provisions Article 117

Article 204 The fiduciary duty of a director, supervisor, manager or other senior management officer of the Company does not necessarily cease upon the termination of his tenure of office. The obligation of confidence in relation to the trade secrets of the Company shall survive after the termination of his tenure. Other obligations may continue for such period as to be determined under the principle of fairness, depending on the time lapse between the acts concerned and the termination and the circumstances and the conditions under which the relationship with the Company terminated.

Mandatory Provisions Article 118

Article 205 The shareholders with full knowledge of the relevant circumstances may at the general meeting relieve a director, supervisors, manager, deputy managers and any other senior management officers of the Company of his liability as a result of his violation of any specific duty, save as by Article 63 of the Articles of Association.

Mandatory Provisions Article 119

Article 206 A director, supervisor, manager and other senior management officer of the Company who directly or indirectly has material interests in any contract, transaction or arrangement that has been executed or is being planned by the Company (save and except the contracts of employment between the directors, supervisors, manager or senior management officers and the Company), shall, as soon as possible, disclose to the board of directors the nature and extent of his interests, regardless of whether or not the matters at hand require the approval of the board of directors.

Unless the interested director, supervisor, manager or other senior management officer of the Company have made such disclosure to the board of directors as required by the preceding paragraph of this Article, and the relevant matter has been approved by the board of directors at the board's meeting where such director, supervisor, manager or other senior management officer has not been counted as part of the quorum and voted thereat, the Company shall be entitled to revoke such contract, transaction or arrangement, except as to any other party which is a bona fide party without knowledge of the violation of duties on the part of such director, supervisor, manager, or other senior management officer.

Where the associates of any director, supervisor, manager or other senior management officer of the Company

have interests in such contract, transaction or arrangement, such director, supervisor, manager and other senior management officer shall also be deemed to be interested.

Mandatory Provisions Article 120

Article 207 Where a director, supervisor, manager or senior management officer of the Company gives a notice in writing to the board of directors before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company, stating that, by reason of facts specified in the notice, he is interested in any contract, transaction or arrangement of any description which may subsequently be made by the Company, that notice shall be deemed for the purpose of the preceding Article to be a sufficient declaration of interests of such director, supervisor, manager or senior management officer, so far as attributable to those facts in relation to any contract, transaction or arrangement of that description which may subsequently be made by the Company.

Mandatory Provisions Article 121

Article 208 The Company shall not in any manner pay tax for or on behalf of its directors, supervisors, managers or senior management officers.

Mandatory Provisions Article 122

Article 209 The Company is prohibited from directly or indirectly providing any loan or guarantee for any loan to the director, supervisor, manager or other senior management officer of the Company or its parent company. The Company is also prohibited from providing any loan or guarantee for any loan to a connected person of such director, supervisor, manager or other senior management officer.

The following transactions are not subject to the foregoing prohibition:

- (I) the provision of a loan or a guarantee for a loan by the Company to a subsidiary of the Company;
- (II) the provision of a loan or a guarantee for a loan or any other funds by the Company to any of its Director, Supervisor, manager or other senior management officer, in accordance with the terms of an employment contract approved by the shareholders' general meeting, to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform properly his duties;
- (III) the Company may make a loan to or provide a guarantee for a loan to its Director, Supervisor, manager or other senior management officer or other their connected persons provided that the ordinary scope of its business includes the making of loans or the giving of guarantees and that the making of such loans or the giving of such guarantees is on normal commercial terms.

Mandatory Provisions Article 123

Article 210 A loan made by the Company in breach of the above provisions shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Mandatory Provisions Article 124

Article 211 A guarantee provided by the Company in connection with the making of a loan in breach of Article 209 (1) shall be unenforceable against the Company, unless:

- (I) the guarantee was provided in connection with a loan to a connected person of any of the director, supervisor, manager or other senior management officer of the Company or its parent company, and at the time the loan was advanced, the lender was not aware of the relevant circumstances;
- (II) the collateral provided by the Company has been lawfully disposed of by the lender of the loan to a bona fide purchaser.

Mandatory Provisions Article 125

Article 212 For the purposes of the foregoing provision, a “guarantee” includes an undertaking or property provided by the guarantor to secure the performance of obligations by the obligor.

Mandatory Provisions Article 126

Article 213 In addition to any rights and remedies provided by laws and administrative regulations, where our Director, Supervisor, manager or other senior management officer is in breach of his duties to the Company, the Company has a right to:

- (I) claim damages from the director, supervisor, manager or other senior management officer as compensation for losses sustained by the Company as a result of such breach;
- (II) rescind any contract or transaction entered into by the Company with the director, supervisor, manager or other senior management officer or with a third party (where such third party knows or should know that there is such a breach of duties by such Director, Supervisor, manager or other senior management officer);
- (III) demand an account of the profits made by the Director, Supervisor, manager or other senior management officer in breach of his duties;
- (IV) recover from the Director, Supervisor, manager or other senior management officer any monies which should have been received by the Company, including (without limitation) commissions;
- (V) demand repayment of the interest earned or which may have been earned by the Director, Supervisor, manager or other senior management officer on the monies that should have been paid to the Company.

Mandatory Provisions Article 127

Article 214 The Company shall, with the prior approval of shareholders in general meeting, enter into a contract in writing with each Director or Supervisor for emoluments. The said emoluments include:

- (I) emoluments in respect of their services as director, supervisor or senior management officer of the Company;
- (II) emoluments in respect of their services as director, supervisor or senior management officer of any subsidiary of the Company;

- (III) emoluments otherwise in connection with services for the management of the Company or any subsidiary thereof;
- (IV) payments to director or supervisor by way of compensation for loss of office, or in connection with their retirement from office.

Except under the contracts above, no proceedings shall be brought by a Director or Supervisor against the Company for anything due to him in respect of the matters specified above.

Mandatory Provisions Article 128

Article 215 In the contract for emoluments entered into by the Company with a Director or Supervisor: provisions shall be made for the right of the Director or Supervisor when the Company is acquired, to receive, after obtaining the prior consent of shareholders in general meeting, compensation or other payment for his loss of office or retirement from office. Such takeover of the Company means:

- (I) an offer made to all shareholders;
- (II) an offer is made such that the offeror will become the controlling shareholder (has the same definition as in Article 64 of the Articles of Association) of the Company.

If the relevant Director or Supervisor does not comply with above provisions, any sum received by the Director or Supervisor on account of the payment shall belong to those persons who have sold their shares as a result of the offer, and the expenses incurred by the Director or Supervisor in distributing that sum pro rata amongst those persons shall be borne by him and not deducted from the sum distributed.

Mandatory Provisions Article 129

CHAPTER 9 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

SECTION1 FINANCIAL AND ACCOUNTING SYSTEM

Article 216 The Company shall formulate its financial and accounting systems in accordance with laws, regulations and requirements of relevant PRC authorities.

Mandatory Provisions Article 130

Article 217 At the end of each fiscal year, the Company shall prepare a financial report which shall be reviewed and verified pursuant to laws.

The accounting year of the Company shall adopt the calendar year, which shall commence on 1 January and ended on 31 December of each calendar year.

Mandatory Provisions Article 131

Article 218 The Company shall prepare its annual financial and auditing report within four (4) months from the

end of each fiscal year, the semi-annual financial and auditing report within two (2) months from the end of the first six (6) months of each fiscal year.

The Company shall prepare its annual financial and auditing report and semi-annual financial and auditing report pursuant to laws and regulations and other rules as specified by relevant regulating authorities.

Article 219 The board of directors shall place before the shareholders at every shareholders' annual general meeting such financial reports as are required to be prepared by the Company pursuant to any laws, administrative regulations or directives promulgated by local government and competent regulatory authorities.

Mandatory Provisions Article 132

Article 220 Our Company's financial reports shall be made available for shareholders' inspection at the Company at least 20 days before the date of every shareholders' annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports.

The Company will send the aforementioned financial reports together with a balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account (where applicable), by personal delivery or prepaid mail to holders of overseas listed shares at the recipient's address shown in the register of shareholders at least 21 days prior to an annual general meeting.

Mandatory Provisions Article 133

Zheng Jian Hai Han Article 7

Article 221 The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards or that of the overseas place where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be specified in the notes to the financial statements. When the Company is to distribute its after-tax profits in respect of the relevant financial year, the lower amount of the after-tax profits as shown in the two financial statements shall be adopted.

Mandatory Provisions Article 134

Article 222 Any interim results or financial information published or disclosed by the Company must also be prepared and presented in accordance with PRC accounting standards and regulations, and also in accordance with either international accounting standards or the accounting standards of the overseas place where our Company's shares are listed.

Mandatory Provisions Article 135

Article 223 The Company shall publish its financial reports twice every fiscal year. The interim financial report shall be published within 60 days after the expiration of the first 6 months of each fiscal year and the annual financial report shall be published within 120 days after the expiration of each fiscal year.

Mandatory Provisions Article 136

Article 224 The Company shall not keep financial accounts other than those required by law. The Company shall not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

Mandatory Provisions Article 137

Article 225 The capital reserve fund includes the following items:

- (I) any premium above the proceeds from share issuances at face value;
- (II) any other income designated for the capital reserve fund by regulation of the finance regulatory department of the State Council.

Mandatory Provisions Article 138

Article 226 The Company should allocate 10% of its net profits of the year to the statutory common reserve. When the total amount of the statutory common reserve reaches 50% of its registered capital, the Company can stop the allocation.

If the statutory surplus reserve of the Company is not sufficient to make good its accumulated losses, the profits of the year shall be used to make good the losses before contribution to the statutory surplus reserve.

After making contributions to the statutory surplus reserve from after-tax profits, the shareholders may resolve to make contribution to the discretionary surplus reserve from after-tax profits.

The remaining profits shall, after making up for losses in the previous years and allocating funds to the statutory reserves, be distributed to shareholders on a pro rata basis in accordance with the number of shares held by the shareholders, save as otherwise provided in the Articles.

If the general meeting of shareholders violates the above provisions by distributing profits to the shareholders before the Company makes up losses in the previous years by allocating funds to the statutory reserves, then the profits so distributed must be returned to the Company by the shareholders.

No profits shall be distributed with respect to the shares held by the Company itself.

Article 227 The statutory reserves of the Company may be used for making up losses or expanding the scale of its business operation or for conversion into additional share capital of the Company, but the capital reserves shall not be used for making up the Company's losses.

Where the statutory reserves is converted into share capital, the balance of such reserves shall not fall below twenty-five (25%) of the Company's registered capital immediately prior to the conversion.

Article 228 After the profit distribution plan has been resolved at a general meeting of shareholders of the Company, the board of directors shall complete dividend (or share) distribution within two months after the general meeting of shareholders.

Article 229 The Company shall, in accordance with the PRC tax law, withhold and make payments on behalf of shareholders in respect of their tax payable on their dividends income.

Article 230 The Company shall appoint on behalf of the holders of the overseas listed shares receiving agents to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of their shares.

The receiving agents appointed by the Company shall comply with the relevant requirements of the law of the place and relevant regulations of the stock exchange where the Company's shares are listed.

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

If warrants sent by post to shareholders by the Company have been left uncashed, the Company may cease sending dividend warrants by post only after such warrants have been so left uncashed on two (2) consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered to the recipient.

The right to sell the shares of members who are unable to be contacted by the Company shall not be exercised unless the following requirements are satisfied:

- (I) at least three (3) dividends in respect of the shares in question have been distributed in the past twelve (12) years and no dividend has been claimed during such period; and
- (II) the Company has published (as defined in the Listing Rules) an announcement in newspapers, upon expiry of the twelve (12) years, stating its intention to sell the shares, and has notified the same to The Stock Exchange of Hong Kong Limited.

Provided that the relevant PRC laws and regulations are observed, the Company may exercise the right to seize dividends not collected (and hold dividends for any corporation purpose), but the said right shall not be exercised before expiry of the applicable validity period.

The board of directors may determine that any payment for shares prior to the calls on shares shall be entitled to interest. However, shareholders shall not be entitled to receive dividends declared subsequently in respect of the calls on shares.

Mandatory Provisions Article 140
Zheng Jian Hai Han Article 8

Article 231 The Company's profit distribution policy is as follows:

- (I) Principle of profit distribution: The Company implement a sustainable and stable profit distribution policy. When distributing the profits, the Company shall attach importance to giving reasonable return to the investors and policy, taking into account the immediate and long-term benefits of the Shareholders to ensure the sustainable development of the Company.
- (II) Method of profit distribution: The Company may distribute profit in the form of cash, shares, and by the combination of cash and shares or otherwise as permitted by the laws and regulations.

Mandatory Provisions Article 139

SECTION2 APPOINTMENT OF ACCOUNTANTS' FIRM

Article 232 The Company shall appoint an independent accounting firm which complies with the relevant requirements of the State to conduct audit on accounting reports, verification on net assets and to provide other related advisory services.

The first accounting firm of the Company may be appointed at the inaugural meeting of the Company before the first annual general meeting and the appointed accounting firm shall hold office until the conclusion of the first annual general meeting, subject to renewal.

If at the inaugural meeting the Company fails to exercise its powers stipulated in the preceding paragraph, those powers shall be exercised by the board of directors.

Mandatory Provisions Article 141

Article 233 The term of appointment of the firm of accountants appointed by the Company shall commence from the conclusion of the current annual general meeting until the conclusion of the next annual general meeting.

Mandatory Provisions Article 142

Article 234 The Company shall provide accurate and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information to their auditor and shall not refuse to provide, conceal or give false information.

Article 235 The firm of accountants appointed by the Company shall have the following rights:

- (I) a right to inspect at all times to the books and records and certificates of the Company, and the right to require the directors, managers and other officers of the Company to provide relevant information and explanations;
- (II) to require the Company to take all reasonable steps to obtain from its subsidiaries such information and explanations as are necessary for the purposes of performing their duties;
- (III) to attend shareholders general meetings and to receive all notices of, and other information relating to, meetings which a shareholder is entitled to receive, and to speak at any shareholders general meeting on any matter which concerns them as the firm of accountants of the Company.

Mandatory Provisions Article 143

Article 236 Before the convening of the shareholders' general meeting, the Board may fill any casual vacancy in the office of the certified public accountants' firm, but while any such vacancy continues, the surviving or continuing firm, if any, may act.

Mandatory Provisions Article 144

Article 237 The shareholders in general meeting may, by ordinary resolution, remove a certified public accountants' firm before the expiration of its office, notwithstanding the stipulations in the contract between the Company and the firm, but without prejudice to the firm's right to claim, if any, for damages in respect of such removal.

Mandatory Provisions Article 145

Article 238 The remuneration of a certified public accountants' firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in general meeting. The remuneration of a certified public accountants' firm appointed by the Board shall be determined by the Board.

Mandatory Provisions Article 146

Article 239 The Company's appointment of, removal of and non-reappointment of a certified public accountants' firm shall be resolved by shareholders in general meeting. The resolution of the shareholders' general meeting shall be filed with the securities regulating authority of the State Council.

Where it is proposed that any resolution be passed at a shareholders' general meeting concerning the appointment of a certified public accountants' firm, which is not an incumbent firm, to fill a casual vacancy in the office of the certified public accountants' firm, or to reappoint a retiring certified public accountants' firm which was appointed by the Board to fill a casual vacancy, or to remove the certified public accountants' firm before the expiration of its term of office, the following provisions shall apply:

- (I) A copy of the proposal about appointment or removal shall be sent to the firm proposed to be appointed or proposing to leave its post or the firm which has left its post in the relevant fiscal year before notice of meeting is given to the shareholders.
Leaving includes leaving by removal, resignation and retirement.
- (II) If the leaving firm makes representations in writing and requests the Company to notify the shareholders of such representations, the Company shall (unless the representations are received too late):
 - (i) in any notice given to shareholders about a resolution to be made, state the representations that has been made by the accountants' firm which is about to leave;
 - (ii) attach a copy of the representations to the notice and deliver it to the shareholders in the manner stipulated in the Articles of Association.
- (III) If the firm's representations are not sent in accordance with paragraph (2) above, the relevant firm may require that the representations be read out at the shareholders' general meeting and may lodge further complaints.
- (IV) A certified public accountants' firm which is leaving its post shall be entitled to attend:
 - (i) the shareholders' general meeting relating to the expiry of its term of office;

- (ii) any shareholders' general meeting at which it is proposed to fill the vacancy caused by its removal;
- (iii) any shareholders' general meeting convened on its resignation; and to receive all notices of, and other communications relating to, any such meetings, and to speak at any such meeting in relation to matters concerning its role as the former certified public accountants' firm of the Company.

Mandatory Provisions Article 147
Zheng Jian Hai Han Article 9

Article 240 When the Company dismisses or disengages the accounting firm, it shall notify the accounting firm 30 days in advance. The accounting firm shall be given the opportunity to state their opinion during the voting to dismiss the accounting firm at the shareholders' general meeting of the Company.

Where the accounting firm resigns from its position, it shall make clear to the shareholders in a general meeting whether there has been any impropriety on the part of the Company.

The auditor may resign his office by depositing at the Company's registered address a notice in writing which will take effect on the date of dispatch of the notice or on the date specified in the notice whichever is later. The notice shall contain:

- (i) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company;
- (ii) a statement of any matters of which an account should be given.

Where a notice is deposited under the preceding paragraph, the Company shall within fourteen (14) days send a copy of the notice to the competent authority. If the notice contains a statement referred to in subparagraph (ii) above, a copy of such statement shall be placed at the Company's registered office for shareholders' inspection. The Company shall also send a copy of such statement to every holder of overseas-listed shares by prepaid mail to the addresses recorded in the register of shareholders.

Where the notice of resignation of a certified public accountants' firm contains a statement of any matters of which an account should be given, the certified public accountants' firm may require the Board to convene a shareholders' extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.

Mandatory Provisions Article 148
Zheng Jian Hai Han Article 10

CHAPTER 10 NOTICE AND ANNOUNCEMENT

SECTION 1 NOTICE

Article 241 Notices given by the Company shall be served in the following manner:

- (I) by hand;
- (II) by mail;
- (III) via public announcements;
- (IV) by facsimile;
- (V) by such other means as stipulated under the Articles.

Article 242 Any notice delivered by the Company by announcement shall be deemed to have been received by the relevant parties once announced.

Article 243 Unless stipulated otherwise in the Articles of Association, The notice to domestic shareholders of the Company shall be published in one or more newspapers designated by the securities regulatory authority of the State. Once published in the newspaper, the notice shall be deemed as having been served at all the domestic shareholders.

Article 244 The notice of shareholders' general meeting to be convened shall be sent by announcement.

Article 245 The notice of meetings of the Board of Directors to be convened shall be sent by hand, mail, facsimile or e-mail.

Article 246 The notice of meetings of the Board of Supervisors to be convened shall be sent by hand, mail, facsimile or e-mail.

Article 247 Notices sent by hand shall be deemed effectively served on the day when the addressee signs (or seals) the receipt; notices sent by mail shall be deemed effectively served on the fifth working days upon its delivery to the post office; and notices sent by announcement shall be deemed effectively given on the date of its first publication.

Unless otherwise provided in the Articles of Association, notices, information or written statements to be given to the holders of overseas listed shares must be served on each of them at his registered address by hand or by prepaid mail.

SECTION 2 ANNOUNCEMENT

Article 248 The Board of Directors manage the disclosure of the Company's information, the secretary of the Board of Directors is the main responsible person for company information disclosure and is responsible for coordinating and organizing the company's information disclosure.

Article 249 The Company discloses regular reports and temporary reports under the law.

Article 250 The Company shall not disclose information to other public media before first disclosing to the designated newspapers and websites, and shall not replace the form of public announcement by press release or answering reporters' questions.

CHAPTER 11 MERGER, DIVISION, INCREASE AND REDUCTION OF CAPITAL, DISSOLUTION AND LIQUIDATION

SECTION1 MERGER, DIVISION AND INCREASE AND REDUCTION OF CAPITAL

Article 251 In the event of the merger or division of the Company, a plan shall be presented by the Company's Board of Directors and shall be approved in accordance with the procedures stipulated in the Company's Articles of Association. The Company shall then go through the relevant approval process. A shareholder who objects to the plan of merger or division shall have the right to demand the Company or the shareholders who consent to the plan of merger or division to acquire such dissenting shareholders' shares at a fair price. The contents of the resolution of merger or division of the Company shall constitute special documents which shall be available for inspection by the shareholders.

The aforesaid document shall also be sent by mail to holders of overseas listed shares at their registered addresses as appeared in the register of members.

Mandatory Provisions Article 149

Article 252 The merger of the Company may take the form of either merger by absorption or merger by consolidation.

One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through the establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.

Mandatory Provisions Article 150

Article 253 In the event of merger of the Company, the parties to such merger shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution for merger and shall publish an announcement at least three (3) times in newspapers specified by the relevant provisions within thirty (30) days of the date of such resolution. A creditor has the right within thirty (30) days of receipt of the notice from the Company or, in the case of creditor who does not receive such notice, within forty-five (45) days of the date of announcement, to require the Company to repay its debts or to provide a corresponding guarantee for such debt.

Mandatory Provisions Article 150

Article 254 After merger, any rights in relation to debtors and any indebtedness of each of the merged parties shall be assumed by the Company which survives the merger or the newly established company.

Mandatory Provisions Article 150

Article 255 Where there is a division of the Company, its assets shall be divided up accordingly.

In the event of division of the Company, the parties to such division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days and publish an announcement at least three (3) times in newspapers specified by the relevant provisions within thirty days of the date of the Company's division resolution.

Mandatory Provisions Article 151

Article 256 The debts of the Company prior to the division shall be assumed jointly and severally by the companies arising from the division, except for those which written agreement has been reached with the creditor in respect of repayment of the debts prior to the division.

Mandatory Provisions Article 151

Article 257 The Company must prepare a balance sheet and an inventory list of its assets when it reduces its registered capital.

The Company shall notify the creditors within ten days of the date of the relevant resolution for the reduction of its share capital and shall publish an announcement in a newspaper within thirty days of the date of such resolution. A creditor has the right within thirty days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty-five days of the date of the announcement, to demand that the Company repay its debts or provide a corresponding guarantee for such debt.

The Company's registered capital must not, after the reduction in capital, be less than the minimum amount required by law.

Article 258 The Company shall, in accordance with law, apply for change in its registration with the Company registration authority where a change in any item in its registration arises as a result of any merger or division. Where the Company is dissolved, the Company shall apply for cancellation of its registration in accordance with law. Where a new company is established, the Company shall apply for registration thereof in accordance with law.

Where the Company increases or decreases its registered capital, procedures for alteration of registration shall be handled at the company registration authority in accordance with the law.

Mandatory Provisions Article 152

SECTION2 DISSOLUTIONAND LIQUIDATION

Article 259 The Company may be dissolved in any of the following circumstances:

- (I) Where the term of operations expires provided herein;
- (II) Where the shareholders' general meeting has adopted a resolution for dissolution;
- (III) Where dissolution is required due to merger or division of the company;
- (IV) Where the business license of the Company is revoked, or the Company is ordered to close down;
- (V) Where the Company is declared bankrupt in accordance with the law due to its inability to repay the debts that are due;
- (VI) Where the Company runs deep into difficulties in operation and management, its continuous existence may cause heavy losses to shareholders' interests, and such difficulties cannot be dealt with in other ways, the shareholders holding over 10% votes of all shareholders' of the Company may apply to the people's court to dissolve the Company.

Mandatory Provisions Article 153

Article 260 In the circumstance item (I) under Article 259, the Company may continue to exist by amending the Articles of Association.

Where the Articles of Association are amended in accordance with the preceding paragraph, the amendment shall be adopted by two thirds or more shareholders attending the shareholders' general meeting.

Article 261 Where the Company is to be dissolved pursuant to subparagraph (I), (II), (IV) or (V) of Article 259, a liquidation committee shall be established to commence the liquidation of the Company within fifteen days of the dissolution. Where the Company is to be dissolved pursuant to subparagraph (I) or (II) of Article 259, the members of such liquidation committee shall be determined by the shareholders' general meeting by way of an ordinary resolution. Where the Company is to be dissolved pursuant to subparagraph (IV) of Article 259, the relevant authorities in charge shall arrange for the shareholders, relevant authorities and relevant professionals to establish a liquidation committee to carry out liquidation. Where the Company is to be dissolved pursuant to subparagraph (V) of Article 259, the People's Court shall, in accordance with relevant laws, arrange for the shareholders, relevant authorities and relevant professionals to establish a liquidation committee to carry out liquidation. In the event of failure to establish a liquidation committee to carry out the liquidation within the stipulated period, creditors may apply to the people's court to appoint relevant professionals to form a liquidation committee for the liquidation.

Mandatory Provisions Article 154

Article 262 Where the Board of Directors proposes to liquidate the Company for any reason other than the Company's declaration of its own insolvency, the Board shall include a statement in its notice convening a shareholders' general meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the Board of Directors is of the opinion that the Company will be able to pay its debts in full within 12 months from the commencement of the liquidation.

Upon the adoption of the resolution by the shareholders at a general meeting for the liquidation of the Company, all functions and powers of the Board of Directors shall cease immediately.

The liquidation committee shall act in accordance with the instructions from the Shareholders' Meeting to report at least once every year to the meeting on the committee's income and expenses, the business and the progress of the liquidation of the Company; and to present a final report to the Shareholders' Meeting upon completion of the liquidation.

Mandatory Provisions Article 155

Article 263 During the liquidation period, the liquidation committee shall exercise the following functions and powers:

- (I) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (II) to notify the creditor(s) or to publish public announcements;

- (III) to dispose of and liquidate any unfinished businesses of the Company;
- (IV) to pay all outstanding taxes and taxes arising from the liquidation;
- (V) to settle claims and debts;
- (VI) to deal with the surplus assets remaining after the Company's debts have been repaid;
- (VII) to represent the Company in any civil proceedings.

Mandatory Provisions Article 157

Article 264 The liquidation committee shall, within 10 days of its establishment, notify the creditors, and, within 60 days of its establishment, publish an announcement at least three (3) times in newspapers. A Director shall, within 30 days of receipt of the notice, or for creditors, who have not personally received such notice, within 45 days of the date of the public announcement, claim its rights to the liquidation committee.

In claiming its rights, the creditor shall provide evidential material in respect thereof. The liquidation committee shall register the creditor's rights.

In the course of claiming of creditors' rights, the liquidation committee shall not make any repayment to creditors.

Mandatory Provisions Article 156

Article 265 Following the organization of the Company's assets and the preparation of a balance sheet and an inventory of assets by the liquidation committee, the liquidation committee shall formulate a liquidation proposal and present it to the Shareholders' Meeting or People's Court. After it has sorted out the Company's assets and after it has prepared the balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and present it to a shareholders' general meeting or to the people's court for confirmation.

Any surplus assets of the Company's remaining after paying for liquidation cost, staff's salary, social insurance, statutory compensation, taxes payable, and debts of the Company shall be distributed to its shareholders according to the proportion of shares held.

During the liquidation period, the Company remains in existence; however, it shall not commence any business activity irrelevant with liquidation. The Company's assets shall not be distributed to its shareholders prior to repaying debts in accordance with the foregoing provision.

Mandatory Provisions Article 158

Article 266 After sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the Company's assets have insufficient to repay the Company's debts in full, the liquidation committee shall immediately apply to the people's court for a declaration of insolvency.

After the Company is declared insolvent by a ruling of the people's court, the liquidation committee shall transfer all matters arising from the liquidation of the people's court.

Mandatory Provisions Article 159

Article 267 Following the completion of the liquidation, the liquidation committee shall prepare a liquidation report, a statement of income and expenses received and made during the liquidation period and a final report, which shall be verified by a Chinese registered accountant and submitted to the shareholders' general meeting or relevant competent authority for confirmation. The liquidation committee shall, within 30 days after such confirmation, submit the documents referred to in the preceding paragraph to the Company registration authority and apply for cancellation of registration of the Company, and publish a public announcement relating to the termination of the Company.

Mandatory Provisions Article 160

Article 268 Members of the liquidation committee shall faithfully perform their duties and carry out their liquidation obligations in accordance with the law.

Members of the liquidation committee may not abuse their authorities by accepting bribes or receiving other illegal income, and may not misappropriate the Company's assets.

A committee member who causes loss to the Company or its creditors due to his intentional misconduct or gross negligence shall be liable for damages.

Article 269 Where the Company is declared insolvent in accordance with the law, bankruptcy liquidation shall be carried out in accordance with the law concerning enterprise bankruptcy.

CHAPTER 12 INVESTORS RELATIONSHIP MANAGEMENT

Article 270 The Chairman of the Company is prime responsibility for investor relations management matters, the Secretary to the Board of Directors shall be in charge of the investor relations management. Having a comprehensive, in-depth understanding of the Company's operations and management, business conditions, development strategies, etc., he/she shall be in charge of planning, scheduling and organizing all kinds of investor relations management activities. The Board of Supervisors supervised the implementation of the investor management system.

Article 271 The officer responsible for investor management has the following functions:

- (I) Responsible for planning, arranging and organizing various investor relations management activities under a comprehensive and in-depth understanding of the company's operations and management, business conditions, and development strategies;
- (II) Responsible for formulating work management methods and implementation rules for the company's investor relations management, and responsible for its specific fulfillment and implementation;
- (III) Responsible for conducting a comprehensive and systematic training of senior management and related personnel in terms of the investor relations management;
- (IV) A targeted training and guidance should be provided to senior management and related personnel of the Company prior to conduct investor relations activities;
- (V) Should continue to focus on the news media and various information about the Company on the Internet and feed back to the company's Board and management in a timely manner.

Article 272 The detailed measures of investor relations management of the Company shall be prepared and approved by the Board and carried out concretely and implemented by the Secretary of the Board and the Office of the Board.

CHAPTER 13 AMENDMENTS OF THE ARTICLES OF ASSOCIATION

Article 273 In any of the following circumstances, the Company shall amend the Articles of Association:

- (I) The Articles of Association is contradictory to any provision of the amended version of the Company Law or other applicable laws or administrative regulations;
- (II) There is any change to the Company's situation and is inconsistent with any matter recorded in the Articles of Association;
- (III) A shareholders' general meeting adopts a resolution for amendment of the Articles of Association.

Mandatory Provisions Article 161

Article 274 At the general meeting the Board may be authorize by an ordinary resolution for the followings:

- (I) If the Company increases its registered capital, the Board is entitled to amend the contents in respect of the Company's registered capital in the Articles of Association based on specific circumstances;
- (II) if any chronological variation of the wordings or numbering of the articles contained in these Articles of Association of the Company is necessary upon application to the companies examination and approval authority authorized by the State Council for examination and approval, the board of directors is authorized to make corresponding amendments to these Articles of Association as required by such security regulatory authorities under the State Council.

The board of directors shall amend these Articles in accordance with the resolutions of the shareholders' general meeting and the opinion of the approving authorities.

Zheng Jian Hai Han Article 12

Article 275 Any amendment to the Articles of Association adopted by a resolution in a shareholders' general meeting that involving the contents of the Mandatory Provisions shall become effective upon receipt of approvals from the competent departments authorized by the State Council ;amendment of these Articles involving the registered particulars of the Company shall be made for change in registration in accordance with law.

Mandatory Provisions Article 162

Article 276 The Board of Directors shall amend the Articles of Association according to the resolution of the shareholders' general meeting for amendments hereof and the approval opinions of relevant competent authority.

Article 277 If amendments to the Articles of Association need to be disclosed pursuant to laws and regulations, they shall be disclosed accordingly.

CHAPTER 14 SETTLEMENT OF DISPUTES

Article 278 Unless otherwise stipulated in the Company's Articles of Association, the Company shall abide by the following principles of dispute resolution:

- (I) Any dispute or claim arising between holders of the overseas listed shares and the Company; holders of the overseas listed shares and the Company's Directors, supervisors, managers or other senior management members; or holders of the overseas listed shares and holders of Domestic Invested Shares, in respect of any rights or obligations arising from the Articles of Association, the Company Law or any rights or obligations conferred or imposed by the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company shall be submitted for arbitration. When a dispute or claim of rights referred to in the preceding paragraph is submitted for arbitration, the entire claim or dispute must be referred to arbitration, and all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall, where such person is the Company, the Company's shareholders, Directors, supervisors, managers or other senior management members of the Company, comply with the arbitration.
- Dispute in respect of the definition of shareholders and dispute in relation to the register of shareholders need not be resolved by arbitration.
- (II) A claimant may elect for arbitration to be carried out at either the China International Economic and Trade Arbitration Commission in accordance with its Rules or the Hong Kong International Arbitration Center in accordance with its Securities Arbitration Rules. Once a claimant submits a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant. If a claimant elects for arbitration to be carried out at Hong Kong International Arbitration Center, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Center.
- (III) If any disputes or claims of rights are settled by way of arbitration in accordance with item (1) of this Article, the laws of the PRC govern, save as otherwise provided in law and administrative regulations.
- (IV) The award of an arbitral body shall be final and conclusive and binding on all parties.

Mandatory Provisions Article 163

Zheng Jian Hai Han Article 11

CHAPTER 15 SUPPLEMENTARY PROVISIONS

Article 279 Definition

- (I) Controlling shareholder means the shareholder as defined in Article 55 of the Articles of Association.
- (II) An effective controlling person means a person who is not a shareholder of the Company, but actually controls corporate behaviors through investment relationship, agreements, or other arrangements.
- (III) Affiliated relation means the relationship between the Company's controlling shareholder, effective controlling person, Directors, supervisors, and senior management members and the enterprises they control directly or indirectly, and other relation that may cause transfer of the Company's interests. However, the relation between fellow State-controlled enterprises shall not be deemed as connection merely because they are both controlled by the State.

Article 280 The Board of Directors may formulate detailed rules for the Articles of Association in accordance with the provisions hereof, but the detailed rules for the Articles of Association shall not conflict with the provisions hereof.

Article 281 Disputes among the Company, shareholders, directors, supervisors and senior management involving the provisions of the Articles of Association shall be resolved through consultation first. Where the disputes cannot be settled through negotiations between the parties, it shall be referred to litigation.

Article 282 The Articles of Association shall be written in Chinese. If there is any discrepancy between the Articles of Association and other versions of Articles of Association or other Articles of Association in other language, the Chinese version of the Articles of Association last approved and registered by Shanghai Administration for Industry and Commerce shall prevail.

Article 283 The phrases "more than", "within" and "below" herein for the numbers include the numbers indicated themselves, while the phrases "fall short", "beyond", "lower than", "exceed" and "over" exclude the numbers indicated themselves.

Article 284 In the Articles of Association, references to "accounting firm" shall have the same meaning as "auditors".

Mandatory Provisions Article 165

Article 285 In the case of any conflict between the Articles of Association and laws, regulations, regulatory documents and relevant requirements of the securities regulatory authorities of the jurisdictions where the shares of the Company are listed published from time to time, the latter shall prevail.

Article 286 The Company's Board of Directors shall have the power to interpret the Company's Articles of Association.