

CIMC Vehicles (Group) Co., Ltd.

ARTICLES OF ASSOCIATION

(Considered and approved by the annual general meeting
of 2021 on 31 May 2022)

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CHAPTER 1 GENERAL PROVISIONS

Article 1 The Articles of Association are formulated in accordance with the Company Law of the

Company Law

Securities Law

State Council on the Overseas Offering and Listing of Shares by the Joint Stock Limited Companies (

Special Provisions

Provisions for Articles of Association of Companies to be Listed Overseas (

Tel:

86-755-26802571

CHAPTER 3 SHARES

Section 1 Issuance of Shares

Article 13 The stocks of the Company shall take the form of shares. The Company shall have

districts outside the PRC which are recognized by the foreign exchange authority of the State and which can be used to make payment for the share price to the Company.

Article 17 The Company is a joint stock limited company established by overall transformation of CIMC Vehicles (Group) Co., Ltd. by way of investment of audited net assets as at 30 June 2018 into the Company, with a total of 1,500 million shares at establishment. All shares issued by the Company were subscribed by the promoters. The numbers of shares held by the promoters in the Company are determined, based on their shareholding percentages in CIMC Vehicles (Group) Co., Ltd. China International Marine Containers (Group) Co., Ltd., a promoter, holds 664,950 thousand shares, accounting for 44.3300%; China International Marine Containers (Hong Kong) Limited, a promoter, holds 284,985 thousand shares, accounting for 18.9990%; Sumitomo Corporation, a promoter, holds 13,935 thousand shares, accounting for 0.9290%; Shanghai Tai Fu Xiang Zhong Equity Investment Fund Partnership (Limited Partnership), a promoter, holds 252,330 thousand shares, accounting for 16.8220%; Shenzhen Long Yuan Gang Cheng Enterprise Management Centre (Limited Partnership), a promoter, holds 23,160 thousand shares, accounting for 1.5440%; Shenzhen Nan Shan Da Cheng New Material Investment Partnership (Limited Partnership), a promoter, holds 23,160 thousand shares, accounting for 1.5440%; Taizhou Tai Fu Xiang Yun Equity Investment Partnership (Limited Partnership), a promoter, holds 161,602.5 thousand shares, accounting for 10.7735%; and Xiang Shan Hua Jin Equity Investment Partnership (Limited Partnership), a promoter, holds 75,877.5 thousand shares, accounting for 5.0585%.

Article 18

the approval of CSRC and the Hong Kong Stock Exchange, the Company makes an initial public offering of no more than 383,801,955 overseas-listed Foreign Shares (H shares), which are all ordinary shares at par value of RMB1 for each share and listed on the Main Board of the Hong Kong Stock Exchange.

Upon the completion of the overseas-listed Foreign Shares (H shares) issuance as above, the shareholding structure of the Company is as follows: there are 1,765,000,000 ordinary shares, of which, there are 1,201,080,000 Domestic Shares, accounting for 68.05% of the total number of ordinary shares of the Company in issue; 664,950,000 Domestic Shares, 252,330,000 Domestic Shares, 23,160,000 Domestic Shares, 23,160,000 Domestic Shares, 161,602,500 Domestic Shares and 75,877,500 Domestic Shares are respectively held by China International Marine Containers (Group) Co., Ltd., Shanghai Tai Fu Xiang Zhong Equity Investment Fund Partnership (Limited Partnership), Shenzhen Long Yuan Gang Cheng Enterprise Management Centre (Limited Partnership), Shenzhen Nan Shan Da Cheng New Material Investment Partnership (Limited Partnership), Taizhou Tai Fu Xiang Yun Equity Investment Partnership (Limited Partnership) and Xiang Shan Hua Jin Industrial Investment Partnership (Limited Partnership) (previously known as Xiang Shan Hua Jin Equity Investment Partnership (Limited Partnership)); and there are 563,920,000 overseas-listed Foreign Shares, accounting for 31.95% of the total number of ordinary shares of the Company in issue; 284,985,000 Foreign Shares and 13,935,000 Foreign Shares are respectively held by China International Marine Containers (Hong Kong) Limited and Sumitomo Corporation, and there are 265,000,000 newly issued H shares.

With the consideration and approval of the SZSE and registration with the CSRC, the Company makes an initial public offering of 252,600,000 domestic-listed Domestic Shares. Such Domestic Shares issued by the Company and Domestic Shares previously issued by the Company were listed on the SZSE

Article 23 The Company may reduce its registered capital in accordance with the procedures provided in the Company Law and other relevant requirements and the Articles of Association.

Article 24 Under the following circumstances, the Company may repurchase its shares in accordance with laws, administrative regulations, departmental rules and the Articles of Association:

- (I) to reduce its registered capital;
- (II) to merge with another company that holds its shares;
- (III) the shares are to be used for employee share ownership plans or equity incentives;
- (IV) to purchase its own shares from its shareholders who are against the resolution regarding the

Article 25 The Company may repurchase its shares in one of the following manners:

- (I) making a general offer to repurchase shares from all shareholders in the same proportion to their shareholdings;
- (II) repurchase through open transaction in stock exchanges;
- (III) repurchase through an off-market agreement;
- (IV) other means as permitted by the laws, administrative regulations and the CSRC.

If the Company purchases its own shares in the case of items (III), item (V) and item (VI) of Article 24, it shall be conducted by way of open and centralized trading.

Article 26

general meeting (in the manner stipulated in the Articles of Association) before it can repurchase shares outside of the stock exchange by means of an off-market agreement. The Company may, by obtaining the _____ e, vary or waive its rights under an agreement which has been so entered into.

An agreement for the repurchase shares referred to in the preceding paragraph includes (without limitation) an agreement to become liable to repurchase shares or an agreement to have the right to repurchase shares.

The Company may not assign an agreement for the repurchase of its shares or any right contained in such an agreement.

With regard to the redeemable shares that the Company has the power to repurchase, if they are not repurchased in a non-public way or in the form of an offer, the repurchase prices of these shares shall be limited to a maximum price; if they are repurchased by way of tender, the tenders shall be proposed to all shareholders alike.

Article 27 Unless the Company is in the course of liquidation, it must comply with the following provisions in relation to repurchase of its issued shares:

- (I) where the Company repurchases shares at par value, payment shall be made out of book surplus distributable profits of the Company or out of proceeds of a new issue of shares made for the purpose of repurchase of old shares;
- (II) where the Company repurchases shares of the Company at a premium to its par value, payment up to the par value may be made out of the book surplus distributable profits of the Company or out of the proceeds of a new issue of shares made for the purpose of repurchase of old shares. Payment of the portion in excess of the par value shall be effected as follows:
 - (1) if the shares being repurchased were issued at par value, payment shall be made out of the book surplus distributable profits of the Company;

- (2) if the shares being repurchased were issued at a premium to its par value, payment shall be made out of the book surplus distributable profits of the Company or out of the proceeds of a new issue of shares made for the purpose of repurchase of old shares, provided that the amount paid out of the proceeds of the new issue shall not exceed the aggregate of premiums received by the Company on the issue of the shares repurchased

fund account (including the premiums on the new issue) at the time of the repurchase;

(III) The Company shall make the following payments out of the C

- (1) payment for the acquisition of the right to repurchase its own shares;
- (2) payment for variation of any contract for the repurchase of its shares;
- (3) payment for the release of its obligation(s) under any contract for the repurchase of shares.

(IV)

cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the par value of shares which have been account).

Where the laws, regulations, normative documents and relevant requirements of the securities regulatory authorities in the place where the shares of the Company are listed have any other provisions in respect of the financial arrangement related to the share repurchase, such provisions shall prevail.

Section 3 Financial Assistance for Acquisition of the Shares of the Company

Article 28 The Company or its subsidiaries shall not, at any time, provide any form of financial assistance to a person who is acquiring or is proposing to acquire shares in the Company. This includes any person who directly or indirectly assumes any obligations as a result of the acquisition of shares in the Company.

The Company or its subsidiaries shall not, at any time, provide any form of financial assistance to the aforesaid obligor for the purposes of reducing or discharging the obligations assumed by such person.

The provisions in this Article shall not apply to the circumstances stated in Article 30 under this Section.

Article 29

tion):

- (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), compensation (other than default) or release or waiver of any rights;
- (III) the provision of a loan or conclusion of a contract under which the obligations of the Company are to be fulfilled prior to the obligations of the other parties to the contract, and a change in the parties to, and the assignment of rights arising under, such loan or contract;
- (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.

For the purposes

of contract or by way of arrangement (irrespective of whether such contract or arrangement is enforceable or not and irrespective of whether such obligation is to be borne solely by the obligor or jointly with other persons) or by any other means which results in a change in his financial position.

Article 30 The following activities shall not be deemed to be activities prohibited in Article 28 under this Section:

- (I) the provision of financial assistance by the Company where the financial assistance given in good faith in the interests of the Company, and the principal purpose of which is not for the acquisition of shares in the Company, or the giving of the financial assistance is an incidental part of some larger plan of the Company;
- (II)
- (III) the allotment of shares as dividends;
- (IV) a reduction of registered capital, a repurchase of shares of oa/04700580 0 1 311.47 505.63 reW*03005

Section 4 Share Certificates and Register of Shareholders

Article 31 The share certificates of the Company shall be in registered form.

shall include such other particulars as required to be specified by the securities exchange(s) on which the

The Company may issue overseas-listed Foreign Shares in form of foreign depository receipts or other derivative means of shares in accordance with the laws and the practice of registration and depository of securities in the listing place.

During the period when the H shares issued by the Company are listed on the Hong Kong Stock Exchange, the Company shall at any time ensure that the following statements are included in all documents of title (including H shares certificates) relatn-GB

Article 32 The share certificates shall be signed by the chairman of the Board. Where the signatures of other senior management of the Company are required by the stock exchange where the shares of the

(III) In case of any joint shareholders of shares, only the joint shareholders whose name appears first in the register of members is entitled to receive the share certificates of relevant shares and the _____ from the Company, and any notice by the Company addressed to

All H shares for which full payment has been made shall be transferred freely in accordance with the Articles of Association. However, the Board may refuse to recognize any instrument of transfer without giving any reason, unless:

- (I) The transfer document or other documents relating to the ownership of any H Shares or affecting transfer of any H Shares ownership shall be registered, and the payment made to the Company for the registration shall not exceed the higher expense specified by the Hong Kong Stock Exchange from time to time, in order to register the transfer instrument of the H Shares and other documents relating to the ownership of H Shares or affecting transfer of the H Shares ownership;
- (II) The share transfer document only involves the overseas-listed Foreign Shares listed in Hong Kong;
- (III) Stamp duty has been paid in respect of the share transfer document;
- (IV) Relevant share certificates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer have been produced;
- (V) the share transfer document shall use standard transfer form stipulated by Stock Exchange;
- (VI) If the shares are transferred to joint holders, the number of joint holders shall not exceed four;
- (VII) The shares are free from any lien in favor of any company.

Should the Board refuse to register any transfer of shares, the Company shall, within two months from the date of the formal application for the transfer, provide the transferor and the transferee with a written notice stating its refusal of registration of such transfer.

Amendments or rectification of the register of shareholders shall be made in accordance with the laws of the place where the register of shareholders is maintained.

Article 37 Subject to the Articles of Association and all other applicable regulations, upon the transfer of shares of the Company, the transferee shall be treated as a holder of the shares, whose name shall be listed in the register of shareholders. Where the PRC laws and regulations and the Stock Exchange Listing Rules have provisions on the period of closure of register of members prior to the convening of a general meeting or the date for the determination of the basis of dividend distribution by the Company, such provisions shall prevail.

(IV) the Company shall have, prior to the publication of its announcement of intention to issue a replacement share certificate, delivered a copy of the announcement to be published to the Hong Kong Stock Exchange. The Company may publish the announcement upon receiving a confirmation from the Hong Kong Stock Exchange that the announcement has been exhibited

Article 44 All H Shares shall be transferred by an instrument in writing in any usual or common form or any other form which the Board accepts (including the prescribed form or transfer form as required by the Hong Kong Stock Exchange from time to time). The instrument of transfer may be executed by hand or (if the transferor or the transferee

the **recognized clearing house** defined by the relevant regulations of the laws of Hong Kong in effect from time to time or the agent thereof, the transfer form may be executed by hand or by machine imprinted signatures. All transfer documents shall be kept at the legal address of the Company or such other place as specified by the Board from time to time.

Article 45 The Company shall

Section 1 Shareholders

Article 49 A shareholder of the Company is a person who lawfully holds shares in the Company and whose name (title) is entered in the register of shareholders.

Article 50 A shareholder shall enjoy rights and assume obligations according to the class of shares held by him. Shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations.

If a shareholder of the Company is a legal person, its rights shall be exercised by its legal representative or proxy of the legal representative on its behalf.

Article 51 The ordinary shareholders of the Company shall be entitled to the following rights:

- (I) the right to receive dividends and other distributions in proportion to their shareholdings;
- (II) the right to legally request, convene, preside over, attend or appoint a proxy to attend
- (III)
- (IV) the right to transfer, give or pledge shares in accordance with laws, administrative regulations and provisions of the Articles of Association;
- (V) to inspect the Articles of Association, register of shareholders, stubs of corporate bonds, minutes of shareholders general meetings, resolutions of the meetings of the Board of Directors, resolutions of the meetings of the Board of Supervisors, and financial and accounting reports;
- (VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of remaining assets of the Company in proportion with the number of shares held;
- (VII) the shareholders disagreeing with the merger or separation resolution made by the general meeting are entitled to ask the Company to acquire their shares;

(VIII) to obtain relevant information in accordance with the Articles of Association including:

1. the right to a copy of the Articles of Association at cost;
2. the right to inspect and copy upon paying reasonable charges:
 - (1) all parts of the register of shareholders;
 - (2) personal particulars of each of the Directors, Supervisors, President and other senior management including:
 - i. present and former name and alias;
 - ii. principal residential address (domicile);
 - iii. nationality;
 - iv. primary and all other part-time occupations and duties;
 - v. identification documents and identification numbers.
 - (3)
 - (4) special resolution of the Company;
 - (5) 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 accounting year and all the expenses paid by the Company therefor;
 - (6)
 - (7) report of the Board of Directors and Board of Supervisors;

(IX) other rights conferred by law, administrative regulations, departmental regulations or the Articles of Association.

Article 52 Where shareholders request for inspection of the relevant information or demand for materials as mentioned in the preceding 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 n requested by such shareholders.

Article 53

Company violates the laws or administrative regulations, the shareholders shall have the rights to submit a petition to the competent court to render the same invalid.

- (III) not to withdraw its capital contribution upon the approval of registration by the Company, except as provided in laws and regulations;
- (IV) _____ company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardize the interests of any creditors of the Company.

Where any shareholder of the Company abuses the _____ rights and incur losses to the Company or other shareholders, such shareholder shall be liable for the damages.

and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

- (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 as the subscribers of the relevant shares of the Company on subscription.

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

Article 57 The controlling shareholders of the Company shall not use their affiliation to jeopardize the interests of the Company; otherwise, they shall make compensation for the loss incurred by the Company.

In addition to obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchanges on which the shares of the Company are listed, a controlling shareholder shall not exercise his voting rights in a manner prejudicial to the interests of all or some of the shareholders of the Company in respect of the following matters:

- (I) to relieve a Director or Supervisor of his duty to act honestly in the best interests of the Company;
- (II) to approve the expropriations by a Director or Supervisor (for his own benefit or for the benefit of another person) of the _____ assets in any way, including without limitation, opportunities beneficial to the Company;
- (III) to approve the expropriations by a Director or Supervisor (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including without limitation, rights to distributions and voting rights, except pursuant to a restructuring of the general meeting in accordance with the Articles of Association.

The controlling shareholder(s) and actual controller(s) of the Company shall have an obligation of good faith towards the Company and public shareholders. The controlling shareholder(s) shall exercise the rights of an investor in strict compliance with the law. They may not prejudice the legitimate rights and interests of the Company and public shareholders by means of distribution of profits, restructuring of

- (VIII) to decide on any increase or reduction of registered capital of the Company and issuance of any class of shares, warrants and other similar securities;
- (IX) to decide on the issue of bonds by the Company;
- (X) to decide on merger, division, dissolution, liquidation or change of nature of the Company;
- (XI) to amend the Articles of Association and appendices thereto (including the Rules of Procedure for the General Meeting, the Rules of Procedure for the Board of Directors and the Rules of Procedure for Supervisory Committee);
- (XII) to determine the appointment, dismissal or non-re-appointment of accounting firms by the Company;
- (XIII) consider the acquisition or disposal of significant assets or provision of a guarantee in an amount exceeding 30% of the audited total assets of the Company in the most recent period, which were carried out by the Company within 1 year;
- (XIV) consider and implement the share incentive plan and employee share ownership plans of the Company;
- (XV) consider related party transactions which are subject to consideration at the sh general meeting;
- (XVI) consider an general meeting, the details are as follows:
 - 1. Any guarantee which is provided after the total amount of external guarantees of the Company and its holding subsidiaries exce assets;
 - 2. Any guarantee which is provided to the principal whose asset-liability ratio exceeds seventy percent;
 - 3. Any guarantee with a single guarantee amount exceeding ten percent of the audited net assets for the most recent period;
 - 4. Any guarantee with an amount in twelve consecutive months exceeding 30% of the audited total assets for the most recent period;
 - 5. Any guarantee with an amount in twelve consecutive months exceeding 50% of the audited net assets for the most recent period and the absolute amount exceeding RMB50 million;
 - 6. Any guarantee provided to shareholders, actual controllers and their related parties;
 - 7. Other external guarantees which ar general meeting, in accordance with Article 138 hereof, laws and regulations;

request;

(IV) whenever the Board deems necessary;

(V) when the Supervisory Committee so requests;

(VI) other circumstances as provided by laws, administrative regulations, departmental regulations or the Articles of Association.

In the case of paragraphs (III), (IV) and (V) of this Article, the matters put forward by a person requesting the meeting shall be included in the agenda of the meeting.

Article 62
domicile of the Company or such other place

Company shall be the

-site. The

Company may facilitate shareholder recognized or required by the relevant securities regulatory authority. Any shareholders who participate in the meeting in the aforesaid manner shall be deemed as present.

When the Company ho present
legal opinions on the following matters and make an announcement:

(I) whether or not the procedures for convening and holding the meeting are in compliance with laws, administrative regulations, and the Articles of Association;

(II) whether or not the qualifications of the officers present at the meeting, and of the convener are lawful and valid;

(III) whether or not the voting procedures at the meeting and the voting results are lawful and valid;

(IV) legal opinions to be presented on other relevant matters at the request of the Company.

Article 63
the period stipulated in the Articles of Association.

within

Article 64 More than two Independent Non-executive Directors shall have the rights to propose to the Board of Directors to convene an extraordinary general meeting. Regarding the proposal requesting to convene an extraordinary general meeting by the Independent Non- executive Directors, the Board of Directors shall give a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within 10 days after receiving the proposal in accordance with the laws, administrative regulations and the Articles of Association.

If the Board of Directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be issued within 5 days after the date of the resolution of the Board of Directors. If the Board of Directors refuses to convene an extraordinary general meeting, an explanation and relevant announcement shall be made.

Article 65 The Supervisory Committee shall have the right

Article 68 Where the Supervisory Committee meeting by themselves, the Board of Directors and the secretary to the Board of Directors shall cooperate. The Board of Directors will provide the register of shareholders on the shareholding record date. If the Board of Directors fails to provide the register of shareholders, the convener may carry relevant

For the purpose of determining the starting date of the notice period, the issue date of such notice

Article 76 meeting shall not be postponed or cancelled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of delay or cancellation, the convener shall make an announcement giving reasons at least 2 trading days before the date when the meeting is convened. If there are any other requirements on the above matters under listing rules of the place where the Shares of the Company are listed, such requirements shall prevail.

Article 77 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice, shall not invalidate the meeting and the resolutions passed at the meeting.

ng

Article 78 The Company shall convene th
the relevant requirements under laws, administrative regulations, departmental rules and the Articles of

(III) the rights to vote by a show of hands or on a poll, except that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights on a poll.

If a shareholder is a recognized clearing house or its agent within the meaning of the relevant regulations imposed in Hong Kong from time to time, it may authorize one or more proxy(ies) as it thinks

if more than one proxy is appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization, and signed by authorized proxies of recognized clearing house. Such authorized proxies may attend meeting on behalf of the recognized clearing house or its agent (without presentation of evidence of its share

Article 84 Any form issued by the Board of the Company to its shareholders for the appointment of proxies shall give the shareholders free choice to instruct their proxies to cast vote in favor of or against each resolution and enable the shareholders to give separate instructions on each matter to be voted at the meeting. The proxy form shall state that if the shareholder does not give specific instructions, the proxy shall vote at his/her own discretion.

Article 85 Where the principal has deceased, incapacitated to act, withdrawn the signed appointment prior to the voting, or the relevant shares have been transferred prior to the voting, a vote given in accordance with the terms of instrument of proxy shall remain valid as long as the Company did not receive a written notice of the event before commencement of the relevant meeting.

Article 86 A registration record for attendants at the meeting shall be compiled by the Company. The registration record shall contain items including but not limited to the names of attendants (or names of organizations), identity card numbers, residential addresses, the number of shares held or representing the voting rights and names (or name of organizations) of the proxies.

Article 87 The convener and the lawyer appointed by the Company shall examine the legality of the according to the register of members provided by the securities registrations and clearing organizations. The names of shareholders and the number of shares with voting rights shall be registered. The registration at the meeting shall terminate before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the shares held with voting rights.

Article 88
chairman is unable to or refuses to perform its duties, the vice chairman shall serve as the chairman of the meeting. If both the chairman and the vice chairman are unable to attend the meeting, a Director shall be elected as the chairman of the meeting by a majority of Directors. If the Board fails to elect a chairman of the meeting, a person may be elected as the chairman of the meeting by shareholders present at the meeting; if shareholders are unable to elect the chairman for any reason, the shareholder (including its proxy) with the largest number of shares shall serve as the chairman of the meeting.

of the Supervisory Committee shall preside over the meeting. If the chairman of the Supervisory Committee is unable to or fails to discharge his/her duty, the meeting shall be presided over by a Supervisor elected by more than one half of the Supervisors.

s, the convener will nominate a representative to conduct the meeting. If for any reason the shareholders are unable to elect a chairman, the attending shareholder holding the largest number of voting shares (whether in person or by proxy) shall preside over the meeting.

meeting, if the chairman of the meeting contravenes the Articles of Association, making the meeting impossible to proceed, with consent from more than one half of the attending shareholders with voting rights, the shareholders may nominate one person to serve as the chairman and continue with the meeting. If for any reason the shareholders are unable to elect a chairman, the attending shareholder holding the largest number of voting shares (whether in person or by proxy) shall preside over the meeting.

Article 89 All Directors, Supervisors and the secretary to the Board of the Company shall be in attendance at such meetings. The Directors, Supervisors and senior management members shall make explanation and interpretation on the inquiry and suggestions of the shareholders at the

At the annual general meeting, the Board and the Supervisory Committee shall make report on their works in the past year at the general meeting. Each independent non-executive Director shall also make work report.

Article 90 The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to
ing.

Article 91 Minutes shall be prepared
Board. The minutes shall state the following contents:

- (I) Time, venue and agenda of the meeting and name of the convener;
- (II) The name of the chairman of the meeting and the names of the Directors, Supervisors, managers and other senior management attending or present at the meeting;
- (III) The numbers of shareholders and proxies attending the meeting, total number of voting shares they represent and the percentages of the voting shares held by them to the total number of shares of the Company;
- (IV) The process of review and discussion, summary of any speech and voting results of each proposal;
- (V) orresponding answers or explanations;
- (VI) Names of the lawyers, the vote-counter and the scrutineer(s);
- (VII) Other contents to be included in the minutes as specified in this Articles of Association.

Directors, Supervisors, Secretary of the Board of Directors, convener or his representative and the chairman of the meeting who attend the meeting shall sign the minutes of the meeting, and ensure that the particulars of meeting minutes are true, accurate and complete. The minutes of the meeting shall be kept together with the valid data on the signature book of shareholders physically present at the meeting, powers of attorney of proxies present and details of voting on the network and other voting methods for a period of not less than 10 years.

Article 92 The convener shall ensure the shareholde

resolutions cannot be made because of force majeure or other special circumstances, the convener shall take necessary measures to resume the meeting or directly terminate that meeting immediately followed by a timely public announcement.

requirements, while the Company shall cooperate. The shall367whic
undertake not to transfer shares held by itself prior to announcement of resolution for considering the
soliciting proposal at the eral meeting. The solicitor may publicly solicit for rights of
shareholders by electronic method to provide convenience
shall cooperate. The solicitor who vote only on certain resolution general meeting
shall concurrently seek resolutions, and vote on their behalf based
on their opinion. Consideration or de facto consideration
Where the public soliciting o
relevant rules of securities regulatory authorities of the State Council and causes damages to the Company
or other shareholders, it shall assume liability for compensation.

When
related shareholders shall not participate in the voting if so specified in applicable laws, regulations or
listing rules of the place(s) in which the shares of the Company are listed. His/her shares held with voting
rights will not be counted within the total number of valid votes. The public announcement on the voting
results of the general meeting shall fully disclose the voting results of the non-related shareholders.
Provisions otherwise provided by applicable laws, administrative regulations, departmental rules 54wQqmh.t 12 T r

- (I) determine the overall management principle and investment plan of the Company;
- (II) work reports of the Board and the Supervisory Committee;
- (III) profit distribution plan and loss recovery plan formulated by the Board;
- (IV) appointment and removal of Directors and shareholder representative Supervisors, and remuneration of Directors and Supervisors and method of payment thereof;
- (V) annual budgets report and final account report of the Company;
- (VI) balance sheets, statement of profit and other financial statements of the Company;
- (VII) appointment, dismissal or refraining from the re-appointment of an accounting firm;
- (VIII) annual report of the Company;
- (IX) matters other than those requiring the approval by way of special resolutions in accordance with the laws, administrative regulations or the Articles of Association.

Article 98 The following general meeting:

- (I) increase or reduction of the registered capital and the issuance of any kinds of share certificate, share warrants and other similar securities by the Company;
- (II) issuance of corporate bonds;
- (III) division, spin-off, merger, dissolution, liquidation, voluntary winding-up or transformation of the Company;
- (IV) amendment to the Articles of Association and appendices thereto (including the Rules of Procedure for the General Meeting, the Rules of Procedure for the Board of Directors and the Rules of Procedure for Supervisory Committee);
- (V) share option incentive scheme and employee share ownership plans;
- (VI) acquisition or disposal of significant assets or provision of a guarantee in an amount exceeding 30% of the audited total assets of the Company in the most recent period, which were carried out by the Company for 12 consecutive months;
- (VII) spin off its subsidiaries for the purpose of listing;
- (VIII) repurchase shares to reduce the registered capital;
- (IX) conduct major assets restructuring;
- (X) resolve to voluntarily delist the shares on _____ and
decide to delist the shares from the Exchange or apply for trading or transfer at _____

exchange;

- (XI) other matters required by laws, administrative regulations, the relative rules of the SZSE, the Articles of Association, the Rules of Procedure for the General Meeting or the Stock Exchange Listing Rules
ordinary resolution concluded that may have a material impact on the Company and require adoption by way of a special resolution.

The resolutions as mentioned in No. (VII) and (X) in the preceding paragraph, in addition to being required to be passed by more than two thirds of voting rights held by shareholders present at the meeting requires also the approval of more than two thirds of voting rights held by other shareholders present at the meeting excluding the C management and shareholders who individually or collectively hold more than shares.

Article 99 ting, the approach and procedures for nomination of Directors and Supervisors (except for staff representative Supervisors) are as follows:

- (I) The Board, the Supervisory Committee and shareholders holding, individually or collectively, more than 3% of voting shares of the Company may, by way of a written proposal, put didates for Directors and Supervisors (not being staff representatives). However, the number of candidates proposed shall comply with the provisions of the Articles of Association, and shall not exceed the number to be elected. The aforesaid proposal put forward by shareholders to the Company general meeting.
- (II) within the number of members as specified by the Articles of Association and based on the number of proposed candidates for election, Directors and Supervisors may propose a list of recommended candidates for Directors and Supervisors, which shall be submitted to the Board of Directors and Supervisory Committee for approval. After the list of candidates for Directors and Supervisors is determined based on the examination by the Board of Directors and Supervisory Committee and the adoption of a resolution, it should be proposed in writing at a general meeting.
- (III) The candidates nominated for election as Directors and Supervisors shall, before a nomination, and that information of the Director candidates publicly disclosed is authentic and complete, and that it will practically perform the duties of a Director upon election.
- (IV) the written undertakings of the intention to nominate a candidate for election as a Director or a Supervisor (not being staff representative), the acceptance of nomination by such potential candidate, and the relevant written materials of the nominated candidate, shall be given to the Company no less than 7 days prior to the date of convening the sha (such seven-day period shall commence no earlier than the second day after the issue of the notice of the meeting at which the election shall be conducted and end no later than seven days prior to the s g). The Board of Directors and Supervisory Committee shall provide shareholders with biographical details and basic information on the candidates for Directors and Supervisors.

- (V) the period given by the Company to nominate a candidate for election as a director or a Supervisor and nominees for providing the aforesaid notice and documents shall be no less than 7 days (such period shall commence from the day following the date of serving the general meeting).
- (VI) in
shall be taken separately.
- (VII) in the case of ad hoc addition or replacement of any director or Supervisor, the Board of Directors and Supervisory Committee shall put forward a proposal to the general meeting for such election or replacement.
- (VIII) When the
where a single shareholder and parties acting in concert with him hold equity interests of 30% or above, the cumulative voting system shall be adopted.
- (IX) The cumulative voting system as mentioned in the preceding paragraph means that each share shall have the same voting right as the number of Directors or Supervisors to be elected, and the voting right held by the shareholders may be used collectively when the Directors or
- (X) ral meeting will vote on all
proposals one by one, and for the different proposals on the same matter, voting will be proceeded according to the order of the times these proposals are put forward. Other than special reasons such as force majeure which results in the interruption of the meeting or make not postpone the
proposals and shall vote on them.

Article 100 eral meeting,
enter into a contract to handover all or material business management of the Company to a person other than to a Director, Supervisor, President or other senior management.

Article 101 No amendment shall be proposed to a motion when it is being considered at a shareho

The same voting right may only be exercised at either an on-site meeting, on the network or in another voting method. In the event that the same voting right is repeated, the result of the first vote shall prevail.

Article 102 Where any shareholder is, under the Stock Exchange Listing Rules, required to abstain from voting for any resolution or restricted to voting only for or only against it, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted in the total number of voting shares.

Article 103 Shareholders who attend
following stances when a resolution is put forward for voting: for, against or abstain. The securneDirecto

Any unfilled, improperly filled or poorly handwritten votes or votes that are not cast shall be considered as abstentions from voting by the shareholders. Its respective shares shall be counted as **abstentions**

Article 104

lected to participate in vote counting and scrutinizing. In the event that a shareholder is related with a matter to be considered, the relevant shareholder and his proxy shall

If the motion is not approved or the resoluti

(V) addition, removal or reduction of share conversion rights, options, voting rights, transfer rights, pre-emptive placing rights or rights to acquire the securities of the Company attached to the shares of such class;

(VI) removal or redu

interested shareholders

Article 113 R

than two-thirds of the voting rights in
accordance with Article 112.

The quorum required for any class shareholder convened for the purposes of changing or revoking the rights of any class shareholders must be at least one third of the holders of the issued shares of such class.

Article 114 When the Company is to ho

- (X) to be bound by other fiduciary duties stipulated by the laws, administrative regulations, departmental rules and the Articles of Association.

The Company shall be entitled to the income gained by the Directors in violation of this Article; the Director shall be liable for compensation if any loss is caused to the Company.

Article 120 The Directors shall comply with the laws, regulations and the Articles of Association and shall diligently perform their following obligations to the Company:

- (I) to exercise prudently, conscientiously and diligently the rights granted by the Company to
nce with the laws,
administrative regulations and the requirements of economic policies of China and that its
commercial activities are within the scope stipulated in the business license;
- (II) to treat all shareholders equally and fairly;
- (III) to understand the operation and management of the Company in a timely manner;
- (IV) to approve securities issuance documents and regular reports of the Company and sign written
confirmation opinion and to ensure the timely and fair disclosure of information by the
Company and the integrity, accuracy and completeness of the information disclosed by the
Company. If it cannot guarantee the integrity, accuracy

If the number of Directors in the Board of the Company falls below the minimum statutory requirement or as required under the Articles
Director shall still perform his/her duties as a Director in accordance with the requirements of laws, administrative regulations, departmental rules and the Articles of Association before the appointment of the re-elected Director.

Save for the circumstances referred to in the prece
effect upon delivery of his/her resignation report to the Board.

Article 124 When a Director or his/her term of service expires,

Article 129 The independent non-executive Directors shall have the duties of good faith and due diligence toward the Company and all the shareholders. The independent non-executive Directors shall, in accordance with relevant laws, regulations, regulatory documents and the Articles of Association, carefully perform their duties and safeguard the interest of the Company as a whole, particularly to protect the legal rights and interests of minority shareholders from damage.

The independent non-executive Directors shall perform their duties independently, without any interference from other entities or individuals who have interests with the Company.

Article 130 The nomination, election and change of independent non-executive Directors shall be made in a legal and standardized manner in compliance with laws or all the relevant requirements of stock exchange

Article 131 In order to fully leverage the role of independent non-executive Directors, independent non-executive Directors shall have duties and powers conferred by the Company Law and other relevant laws and regulations as well as the Stock Exchange Listing Rules to Directors and independent non-executive Directors.

Section 3 Board

Article 132 The Company shall set up a Board of Directors (i.e., the Board) which shall be accountable to the shareholders

Article 133 The Board consists of 9 Directors, including 3 independent non-executive Directors. The Board shall have a chairman and a vice chairman.

Article 134 The Board shall perform the following duties:

- (I) to convene the shareholders' meetings;
- (II) to call general meetings;
- (III) to determine specific business operation plans and investment plans of the Company;
- (IV) to formulate annual financial budget plans and final accounts plans of the Company;
- (V) to formulate the profit distribution plans and plans for recovery of losses of the Company;
- (VI) to formulate proposals for the Company to increase or decrease its registered capital and issue corporate bonds;
- (VII) to prepare plans for the acquisition and disposal of significant assets of the Company, repurchase of shares of the Company, merger, division, dissolution and transformation of the Company, which are required to be approved by a special meeting;

(VIII)

management structure;

~~(167)~~1.0 432.82(16518) t, to
appoint or dismiss deputy President, secretary to the Board, chief financial officer and other
senior management and to determine their remuneration and rewards

Article 142 The chairman of the Board shall perform the following duties:

- (I) general meetings and to convene and preside over meetings of the Board;
- (II) to examine the implementation of resolutions passed by the Board;
- (III) to execute the securities issued by the Company;
- (IV) to perform other duties entrusted by the Board.

Article 143 In case the chairman of the Board cannot or fails to perform his duties, the vice chairman of the Board can be appointed by the chairman of the Board to perform his duties on behalf; in case both of the chairman and the vice chairman of the Board cannot or fails to perform its duties, one Director may be elected jointly by over half Directors to perform the duties of the chairman of the Board on behalf.

Article 144 The Board meetings include regular meetings and extraordinary meetings. No less than four meetings of the Board shall be held each year. Such meetings shall be convened by the chairman of the Board and notice thereof shall be given in writing to all Directors and Supervisors 14 days before the meeting.

Article 145 The chairman of the Board shall convene and preside over the extraordinary meeting of the Board within 10 days under the following circumstances:

- (I) Any shareholder holding more than 10% voting rights propose;
- (II) More than one third of the Directors jointly propose;
- (III) The Supervisory Committee proposes;
- (IV) The President proposes.

Article 146 The Board shall convene the extraordinary meeting of the Board, and the chairman of the Board shall give written notice to all Directors and Supervisors three days before the meeting is held.

Article 147 The notice of the meeting of the Board shall consist of the following:

- (I) date and venue of the meeting;
- (II) period of the meeting;
- (III) causes and issues of discussion;
- (IV) date of issuance of notice.

Article 148 Unless otherwise provided by the Articles of Association, the Board meeting shall not be held unless more than one half of the Directors are present. Each Director shall have one vote.

When the number of votes cast for and against a resolution equals, the chairman of the Board shall have a casting vote.

Article 149 If any Director has connection with the entity involved in the resolution of a meeting of the Board, the connected Director shall abstain from voting on the resolution and shall not vote on behalf of other Directors. When determining whether the quorum is reached, connected Directors shall not be counted. The meeting of the Board may be held when more than half of the non-connected Directors attend the meeting. The resolution of the meeting of the Board shall be passed by more than half of the non-connected Directors. If the number of non-connected Directors attending the meetings is less than three

In this Article
under the following circumstances:

- (I) is a counterparty;
- (II) has direct or indirect control of a counterparty;
- (III) works for a counterparty, or legal persons or other organizations which have direct or indirect control of the counterparty or are directly or indirectly controlled by the counterparty;
- (IV) is a close family member of a counterparty or its direct or indirect controller;
- (V) is a close family member of a Director, Supervisor or senior management/F3 12 center(pe)-5(sons)t

The appointed Director who atten
Director fails to attend a meeting of the Board in person and fails to appoint a representative to attend the meeting, he shall be deemed to have waived his/her voting rights at the meeting.

Article 152 The Board shall keep minutes of the matters discussed in the meeting. The attending Directors and the person taking the minutes shall sign on the minutes of the meeting. The attending Directors are entitled to request that an explanatory

Article 155 The main responsibilities of the Audit Committee include:

- (I) to make recommendations on appointment or change of the external auditors, approve the remuneration and employment terms of such auditors, handle any issues on resignation or dismissal of such auditors, monitor whether such auditors are independent and objective and the audit procedures are valid or not, discuss the nature and scope of the audit and the relevant reporting responsibilities with such auditors before auditing, and formulate and implement the policies on non-audit service provided by such auditors;
- (II) to supervise the internal audit system of the Company and its implementation;
- (III) to be responsible for the communication between internal auditors and external auditors;
- (IV) to audit the financial information of the Company and its disclosure;
- (V) to supervise the financial report system, risk management and internal control system of the Company;
- (VI) to perform other duties provided by the Stock Exchange Lis /F3 gcia

- (VIII) to ensure that no Director or any of his associates is involved in deciding his own remuneration;
- (IX) to perform other duties provided by the Stock Exchange Listing Rules and the ChiNext Market Listing Rules.

Article 157 The main responsibilities of the Nomination Committee include:

- (I) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least once a year and make recommendations regarding any proposed changes
- (II) to identify individuals suitably qualified to become Directors, select and nominate candidates of Directors or make recommendations to the Board in this regard;
- (III) to assess the independence of independent non-executive Directors;
- (IV) to make recommendations to the Board on the appointment or reappointment of the Directors and succession plan of the Directors (especially the chairman of the Board and the chief executive officer); and
- (V) to perform other duties provided by the Stock Exchange Listing Rules and the ChiNext Market Listing Rules.

Article 158 The Board may have a Strategy and Investment Committee, which is mainly responsible for analyzing long-te

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

Article 166 The President may be present at the meetings of the Board, but shall have no voting rights if he is not a Director.

Article 167 The President of the Company shall bear the fiduciary and diligent obligations in accordance with the provisions of laws, administrative regulations and the Articles of Association in performing his/her duties.

Article 168 The senior management of the Company may resign before expiry of his/her term of service.

Section 2 Secretary of the Board

Article 169 The Company shall have a secretary to the Board.

Article 170 The secretary to the Board should be a natural person who have the requisite professional knowledge and experience and shall be appointed by the Board. The secretary to the Board shall primarily perform the following duties:

- (I) to ensure that the Company has complete constitution documents and records;
- (II) to ensure the preparation and submission of reports and documents by the Company as required by the competent authorities in accordance with laws;
- (III) entitled to access to the relevant records and documents are furnished with such records and documents in timely manner;
- (IV) to organize and prepare meeting materials, arrange relevant meeting affairs, and take charge of taking meeting minutes, ensure the accuracy of the records, and properly make and keep meeting documents and records, and actively understand the implementation of relevant resolutions, and report to the Board, important issues in the implementation, and provide suggestions;
- (V) to take charge of coordinating and organizing information disclosure of the Company, establish a sound system on information disclosure, participate in all meetings in relation to information disclosure, and in a timely manner, know significant operating decisions and relevant information of the Company.

Article 171 A Director or other senior management of the Company may concurrently act as the secretary to the Board. The Supervisors of the Company and the accountant of the accounting firm appointed by the Company shall not act as secretary to the Board of the Company.

If a Director serves as a secretary of the Board, and an action is required to be taken by a Director and a secretary of the Board separately, the person concurrently serving as a Director and a secretary of the Board shall not take such action in the capacity of both Director and a secretary of the Board.

CHAPTER 7 SUPERVISORY COMMITTEE

Section 1 Supervisors

Article 172 Directors, President and other senior management of the Company may not act concurrently as Supervisors.

Article 173 Supervisors shall comply with laws, administrative regulations and the Articles of Association and bear fiduciary and diligent duties to the Company. Supervisors are prohibited from abusing their power to accept bribes or other illegal income and from misappropriating the Company's properties.

Article 174 Each term of office of a Supervisor is three years and he may serve consecutive terms if re-elected upon expiration of his term.

Article 175 The term of Supervisors shall commence on the date on which the relevant resolution is placed in place of a retiring Supervisor upon expiry of his/her term or a Supervisor resigns before the expiry of his/her term resulting in the number of Supervisors to be less than the required number, the leaving Supervisor shall continue to perform his/her duties as a Supervisor in accordance with the provision of the laws, administrative regulations and the Articles of Association until a Supervisor is elected in his/her place.

Article 176 Supervisors shall ensure that the Company discloses information in a timely and fair manner and the information disclosed by the Company is true, accurate and complete, and provide written confirmation for the periodic reports. If it cannot guarantee the integrity, accuracy and completeness of the contents of securities issuance documents and regular reports or has disputes, it shall issue opinions and state reasons in the written confirmation and the Company shall disclose them. Where the Company refuses to disclose, Supervisors may directly apply for disclosing.

Article 177 A Supervisor may attend meetings of the Board, and make enquiry or suggestion regarding resolutions of meetings of the Board.

Article 178 A Supervisor may not make use of his/her connected relationship to harm the Company or make indemnification.

Article 179 A Supervisor shall be personally liable for any loss suffered by the Company as a result of a violation by him of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing his/her duties.

Section 2 Supervisory Committee

Article 180 The Company shall have a Supervisory Committee. The Supervisory Committee shall consist of three Supervisors and have one chairman of the Supervisory Committee.

The Supervisory Committee shall consist of shareholder representatives and the C employee representatives and the percentage of employee representatives shall not be less than one-third. The shareholder representatives in the Supervisory Committee are elected and removed by the o the procedures specified in Article 99 hereof, and employee employee meeting or otherwise democratically.

The election or removal of the chairman of the Supervisory Committee shall be subject to voting by more than two-thirds of the members of the Supervisory Committee.

If a Supervisor in office is required to be removed as specified in Article 193 hereof, is bared from accessing the securities market by CSRC or should not hold such position for other reasons, the Supervisory Committee shall immediately suspend the performance of duties by the Supervisor and becoming aware of such circumstance.

Article 181 The Supervisory Committee shall perform the following duties:

- (I)
- (II) to supervise the conducts of the Directors and senior management in discharge of their duties which are in breach of laws, administrative regulations and the Articles of Association;
- (III)

Article 182 Supervisors have the right to access operation information of the Company and shall keep the information confidential. When Supervisory Committee perform duties, if necessary, they can engage professional institutions such as law firms and accounting firms to assist in their work with expenses to be borne by the Company.

Article 183 Meetings of the Supervisory Committee shall be convened at least every six (6) months. The written notice of any meeting shall be given to all Supervisors ten (10) days before the meeting. Interim meetings of the Supervisory Committee can be convened by the Supervisors. The written notice of any interim meeting shall be given to all Supervisors three (3) days before the meeting.

Article 184 A notice of the Supervisory Committee meeting shall include the following particulars: the date of the meeting, the place and duration of the meeting, the causes and issues to be discussed and the date of the notice.

Section 3 Resolutions of the Supervisory Committee

Article 185 The chairman of the Supervisory Committee shall convene and preside over Supervisory Committee meetings. In the event that the chairman of the Supervisory Committee is incapable of performing or not performing his duties, a Supervisor nominated by more than half of Supervisors shall convene and preside over the Supervisory Committee meetings.

Article 186 A meeting of the Supervisory Committee shall not be held unless it is attended by not less than two Supervisors. Each Supervisor shall have one vote. Resolutions of the Supervisory Committee shall be passed by two-thirds (2/3) or more of all Supervisors and signed by the Supervisors attending the meeting.

Article 187 A Supervisor shall attend meetings of the Supervisory Committee in person, or appoint in writing another Supervisor to attend the meeting on his/her behalf due to his/her absence.

The letter of authorization shall specify the name of the entrusted Supervisor, entrusted matter, authorities and period of validity and shall be signed by the entrusting Supervisor.

Article 188 The Supervisory Committee may request the Directors, President and other senior management of the Company, internal and external auditors to attend meetings of the Supervisory Committee and answer any concerned queries.

Article 189 Voting is conducted by a show of hands or open ballot at the meetings of the Supervisory Committee. Each Supervisor shall have one vote.

Article 190 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.

Article 191 The Company shall be responsible for payment of all reasonable fees incurred in respect of employment of professionals such as solicitors, certified public accountants and practicing

Article 192 Supervisors shall carry out their supervisory duties faithfully in accordance with laws, administrative regulations and the Articles of Association.

DIRECTORS, SUPERVISORS, PRESIDENT AND OTHER SENIOR MANAGEMENT

Article 193 A person mara

Article 195 In addition to the obligations imposed by laws, administrative regulations or the listing

- (VII) not to exploit his position to accept bribes or other illegal income or expropriate the Company;
- (VIII) not to accept commissions in connection with t unless with the informed consent of the shareholders given in a general meeting;
- (IX) to comply with the Articles of Association, to perform his official duties faithfully, to protect his position and power in the Company to advance his own interests;
- (X) not to compete with the Company in any way, unless with the informed consent of the shareholders given in a general meeting;
- (XI) not to appropriate the capital of the Company or to loan such funds to others, not to deposit the funds of the Company in their own or other personal bank accounts, or provide assets of the Company as guaranty for the shareholders of the Company or others;
- (XII) not to release any confidential information relating to the Company which he has obtained during his term in office, without the informed consent of the shareholders in a general disclosure of such information to the court or other governmental authorities is permitted if:
 1. disclosure is required by law;
 2. public interests so requires;
 3. the interests of the relevant Director, Supervisor, President or other senior management so requires.

Article 198 The Directors, Supervisors, President and other senior management of the Company shall not direct the foll **Connected Persons** he is prohibited from doing:

- (I) the spouse or minor child of the Directors, Supervisors, President or other senior management of the Company;
- (II) the trustee of the Directors, Supervisors, President or other senior management of the Company or of any person described in item (I) of this Article;
- (III) the partner of the Directors, Supervisors, President or other senior management of the Company or any person referred to in items (I) and (II) of this Article;
- (IV) a company in which the Directors, Supervisors, President or other senior management of the Company, whether alone or jointly with the persons referred to in items (I), (II) and (III) of this Article or other Directors, Supervisors, President and other senior management of the Company, have de facto controlling interest;

- (V) the Directors, Supervisors, President and other senior management of a company which is being controlled in the manner set out in item (IV) of this Article.

Article 199 The fiduciary duties of the Directors, Supervisors, President and other senior management of the Company do not necessarily cease with the termination of their tenure. The duty of confidentiality in respect of trade secrets of the Company survives the termination of their tenure. Other duties may continue for such period in fair principle, depending on the time which has lapsed between the termination and the act concerned and the circumstances and terms under which the relationship with the Company was terminated.

Article 200 Unless otherwise provided by Article 57 herein, Directors, Supervisors, President and other senior management of the Company may be relieved of liability for specific breaches of duties by the informed con

Article 201 Where a Director, Supervisor, President and other senior management of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company (other than his/her contract of service with the Company), he/she shall declare the nature and extent of his/her interests to the Board at the earliest opportunity, whether or not the related matters under normal circumstances is otherwise subject to the approval of the Board.

Article 202 Unless the interested Director, Supervisor, President and other senior management of the Company has disclosed such interest to the Board as required under Article 201 herein and the matter has been approved by the Board at a meeting where he was not counted in the quorum and had refrained from voting, the Company shall have the rights to revoke the contract, transaction or arrangement, except where the other party is a bona fide party acting without knowledge of the breach of obligation by the Director, Supervisor, President and other senior management concerned.

Article 203 A Director, Supervisor, President and other senior management of the Company shall be deemed to have some interest in a certain contract, transaction or arrangement in which a Connected Person of such Director, Supervisor, President and other senior management has some interest.

Article 204 In the event that a Director, Supervisor, President and other senior management of the Company gives a written notice to the Board before the Company considers to enter into the contract, transaction or arrangement for the first time, stating that due to the contents of the notice, such Director, Supervisor, President and senior management of the Company has an interest in the contract, transaction or arrangement that may subsequently be made by the Company, such Director, Supervisor, President and other senior management shall be deemed, for the purposes of the preceding Articles of this Chapter, to have disclosed his/her interest, insofar as attributable to the scope stated in the notice.

Article 205 The Company shall not in any manner pay taxes for or on behalf of a Director, Supervisor, President and other senior management.

Article 206 The Company shall not directly or indirectly extend a loan to or provide any guarantee to a Director, Supervisor, President and other senior management of the Company or its parent company or any of their respective Connected Persons.

The following transactions are not subject to the above prohibition:

- (I) the provision by the Company of a loan or a guarantee of a loan to its subsidiaries;
- (II) the provision by the Company of a loan or a guarantee of a loan or any other funds to any of its Directors, Supervisors, President and other senior management to meet expenditure incurred by him for the purposes of the Company or for the purpose of enabling him to perform his/her duties, in accordance with the general meeting;
- (III) the Company may make a loan to or provide a loan guarantee to any of the relevant Directors, Supervisors, President and other senior management or their respective Connected Persons on normal commercial terms, provided that the ordinary course of business of the Company should include the lending of money or the provision of loan guarantees.

Article 207 A loan made by the Company in breach of the preceding Article shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Article 208 A loan guarantee provided by the Company in breach of item (I) of Article 206 of the Articles of Association shall not be enforceable against the Company unless:

- (I) the guarantee was provided in connection with a loan to a Connected Person of any of Directors, Supervisors, President and other senior management of the Company or its parent company and the lender were not aware of the relevant circumstances;
- (II) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

Article 209 For the purposes of the preceding Articles of this Chapter, the Company shall include an act whereby a guarantor assumes its liability or provides property to guarantee in order to secure the performance of obligations by an obligator.

Article 210 In addition to any rights and remedies provided by the laws and administrative regulations, where a Director, Supervisor, President and other senior management of the Company breaches the duties which he owes to the Company, the Company has a right:

- (I) to demand such Director, Supervisor, President and other senior management to compensate it for losses sustained by the Company as a result of such breach;
- (II) to rescind any contract or transaction which has been entered into between the Company and such Director, Supervisor, President and other senior management or between the Company and a third party (where such third party knows or should have known that such Director, Supervisor, President and other senior management representing the Company has breached his duties owed to the Company);

CHAPTER 9 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting System and Profit Distribution

Article 213 The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the provisions of relevant departments of the PRC.

Article 214 The Company shall prepare the financial reports at the end of each accounting year. The financial reports shall be examined and verified in a manner prescribed by laws.

Article 215 The Board of the Company shall place before the shareholders at every annual meeting which the relevant laws, administrative regulations and directives promulgated by local governments and competent authorities concerned require the Company to prepare.

Article 216
the UV¶

Article 219 The Company shall, within the timeframe specified in laws, administrative regulations, rules of departments, normative documents and the listing rules of the stock exchange in the place where Shares of the Company are listed, and in accordance with relevant requirements of the CSRC and the stock exchange, disclose regular reports. The annual report should be disclosed within four months after the end of each accounting year; the half-yearly report should be disclosed within two months after the end of the first half of each accounting year; and the quarterly report should be disclosed within one quarterly report should not be earlier than the time of publication of the annual report for the preceding year.

Where the Company foresees a failure to disclose its regular reports within the specific timeframe, it shall report to the stock exchange, in a timely manner, and announce the reasons for such failure, the solution and the extended deadline for disclosure.

The Company shall deliver its annual financial report to the CSRC and the SZSE within 4 months from the ending date of each financial year, shall deliver its half-yearly financial report to the CSRC branches and the SZSE within 2 months from the ending date of the first 6 months of each financial year, and shall deliver its quarterly financial report to the CSRC branches and the SZSE within 1 month from the ending dates of the first 3 months and first 9 months respectively of each financial year. The Company shall prepare the above financial reports according to the laws, regulations or requirements of the regulatory authorities.

Article 220 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.

Article 221 Upon completion of preparation of its interim and annual financial reports, the Company shall follow such procedures and make such announcements as required by the securities-related laws and regulations of the PRC and provisions of the stock exchange on which the shares of the Company are listed.

Article 222
10% of its prof

-tax profits, the Company shall set aside

the previous year, current year profits shall be used to make good the losses before allocating such profits to the statutory common reserve fund in accordance with the above provisions.

After the Company has made appropriations to the statutory common reserve fund from its after-tax way of resolution, make further appropriations from its after-tax profit to the discretionary common reserve fund.

After the Company has made good on its losses and made allocations to its common reserve fund, the remaining after-tax profits shall be distributed in proportion to the number of shares held by the shareholders, except when the Articles of Association provide not to distribute in proportion to their shareholding.

The Board of Directors of the Company shall take various factors into consideration, including its industry features, development stages, business operation model and profitability as well as whether it has any substantial capital expenditure arrangements, and differentiate the following circumstances to propose a differentiated policy for cash dividend distribution pursuant to the procedures stipulated in the Articles of Association:

- (I) where the Company is in a developed stage with no substantial capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 80% of the profit distribution;
- (II) where the Company is in a developed stage with substantial capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 40% of the profit distribution;
- (III) where the Company is in a developing stage with substantial capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 20% of the profit distribution.

In the case that it is difficult to d
has significant capital expenditure arrangements, the profit distribution may be dealt with pursuant to the provisions in the item (3) above.

The profit distribution plan of the Company shall be proposed and prepared by the Board of Directors in accordance with the provisions of the Articles of Association and the actual operating condition of the Company. When formulating and considering the profit distribution plan, especially the specific proposal on cash dividend distribution, the Board of Directors shall conduct research and analysis on certain matters such as the timing, conditions, minimum proportion and conditions for adjustment in respect of the cash dividend distribution, and the independent non-executive Directors shall expressly give their independent opinions on such proposal. Independent non-executive Directors may solicit opinion of minority shareholders, put forth profit distribution proposal and submit it directly to the Board

- (IV) whether the independent non-executive Directors have duly performed their duties;
- (V) whether there are enough channels for minority shareholders to express their views and concerns, and whether their legal interests are sufficiently protected, etc..

If the cash dividend policy is to be adjusted or altered, it shall be disclosed in details whether the conditions and procedures of such adjustments or alternation is in compliance and transparent.

Article 226 After a resolution is made on a profit distribution plan a meeting, the Board shall complete the distribution of dividends (or shares) within 2 months following the eral meeting.

Article 227 The Company shall appoint receiving agents on behalf of the holders of overseas-listed Foreign Shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of such shares to be paid to the holders.

The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant provisions of the stock exchanges in the place where the Company is listed.

Article 229 The internal audit system and the duties of the auditing staff of the Company shall come into effect upon the approval of the Board. The officer-in-charge of the audit team shall be responsible to and report to the Board.

Section 3 Appointment of Accounting Firm

Article 230 The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of China to audit the annual financial reports and other financial reports of the Company.

The first accounting firm of the Company could be appointed by the founding meeting before the end and the term of the office of the first accounting firm shall be

The Board could discharge the duties aforesaid where the founding meeting fails to do so.

Article 231 The accounting firm appointed by the Company shall hold office for a period commencing from the conclusion of this annual general meeting until the conclusion of the next annual shareholder meeting.

Article 232 The Company guarantees that it shall provide true and complete accounting evidences, books, financial and accounting reports and other accounting data to the accountant engaged without any refusal, withholding and false information.

Article 233 The accounting firm engaged by the Company shall enjoy the following rights:

- (I) to have the access to the account book, records or vouchers of the Company at any time, and have the right to require the Directors, President or other senior management of the Company to provide relevant materials and statements;
- (II) to require the Company to take every reasonable measure to obtain the materials and statements of the subsidiaries necessary for the accounting firm to perform its duties;
- (III) to attend the general meeting, obtain the meeting notices any shareholder is entitled to or other information related to the meeting, and address any general meeting over the issues concerning the accounting firm.

Article 234 If there is a vacancy of the office of the accounting firm, the Board may fill up the vacancy by appointing an accounting firm before convening the general meeting. But during the period when the vacancy subsists, if the Company has other accounting firm in office, such firm can continue to carry out the relevant duty.

Article 235 The general meeting may dismiss any accounting firm through an ordinary resolution before the term of such accounting firm expires, regardless of the contract made by the Company with such accounting firm. If the relevant accounting firm enjoys the right to claim compensation from the Company because of the disengagement, the relevant rights shall not be influenced by this provision.

Article 236 The remuneration of the accounting firm or the method of determining the remuneration shall

Article 237 The appointment, removal and non-reappointment of an accounting firm shall be resolved by the shareholders meeting and shall be filed with the CSRC.

firm which is not holding a current position to fill any vacancy of the position of the accounting firm, or to renew the engagement of an accounting firm engaged by the Board to fill up the vacancy, or to dismiss an accounting firm before the expiry of its term of appointment, such matters shall be handled pursuant to the following provisions:

- (I) before dispatch or dismissal is delivered to the accounting firm to be appointed or to leave its office or already retired in the relevant accounting year.

Leaving office shall include the dismissal, resignation and retirement for an accounting firm.

- (II) if the accounting firm to leave its office makes any statement in writing and requires the statement to be informed to shareholders by the Company, unless being too late for the receipt of such statement, the Company shall take the following measures:

1. making instructions on the notice to the resolution that the leaving accounting firm has made such a statement;
2. copies of such a statement as the annex to the notice shall be sent to every shareholder who is entitled to the notice in such manner set forth in the Articles of Association.

- (III) if the Company fails to deliver such statement made by the relevant accounting firm in accordance with the provisions in item (II) of this Article, the accounting firm concerned may

Article 238

decides to remove such accounting firm or not to renew the appointment thereof. The accounting firm shall be entitled to make representations when the resolution regarding the removal of the accounting firm
ny impropriety existing in the
Company.

- (I) An accounting firm may resign by depositing a written resignation notice at the registered office of the Company. The resignation notice shall become effective on the date of such deposit or on such later date stipulated in such notice. Such notice shall contain the following statements:
 - 1. a statement to the effect that there are no circumstances in connection with its resignation which should be brought to the notice of the shareholders or creditors of the Company; or
 - 2. a statement of other circumstances considered necessary.
- (II) The Company shall send a copy of the above written notice to the competent authority within fourteen (14) days after receiving such notice. If the notice contains item 2 statement abovementioned, a copy of s
inspection. The Company shall also send a copy of such statements by prepaid mail to every shareholder who is entitled to the financial report of the Company at the address registered in the register of shareholders.
- (III) accountable affair referred to in item 2 of (I) of this Article, it may require the Board to convene an extraordinary general meeting for the explanation of the circumstances regarding to its resignation.

CHAPTER 10 NOTICE AND ANNOUNCEMENT

Section 1 Notice

Article 239 A notice of the Company shall be delivered by:

- (I) hand;

Article 240 The notice sent by the Company shall allow sufficient time for shareholders whose

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

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 246 The merger or division of the Company shall be proposed by the Board, and upon approval in accordance with the procedures provided in the Articles of Association, it shall go through relevant examination and approval formalities according to the laws. A shareholder objecting to merger or division of the Company may require the Company or the shareholders who are in favor of such merger or division to acquire his/her shares at a fair price. A special document about the content of the resolution on merger or division of the Company shall be made for inspection by the shareholders.

The aforesaid documents shall also be sent by mail to holders of H shares of the Company.

Article 247 Merger of the Company may take the form of absorption or establishment of a new company.

Article 248 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) and shall publish an announcement in newspapers

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

Article 253 Changes in particulars of the companies as a result of merger or division must be registered with the registration authorities in accordance with the laws. Cancellation of a company shall be registered in accordance with the laws when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with the laws.

When increasing or reducing the registered capital, the Company shall register the changes with company registration authorities in accordance with the laws.

Section 2 Dissolution and Liquidation

Article 254 The Company shall be dissolved and liquidated according to law upon the occurrence of any of the following events:

- (I) the term of its operations has expired or other events of dissolution specified in the Articles of Association have occurred;
- (II)
- (III) dissolution is due to the merger or division;
- (IV) the Company is in violation of laws or business license is revoked or the Company is ordered to close down or de-registered according to law;
- (V) where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any oeto re% M% iMž2y6ž2y6ž/8PUDčÄAA70Xq2y6žTqShH0T0q2y6ž8

Article 256 If the Board decides that the Company shall be liquidated (except for such liquidation convened for such purpose shall include a statement to the effect that the Board has made full inquiry into the position of the Company and that the Board is of the opinion that the Company can pay off its debts in full within 12 months after the liquidation has commenced.

Upon passing of the resolution to liquidate the Company at the sha functions and powers of the Board shall cease immediately.

eting on the Liquidation Co
business of the Company and the progress of the liquidation at least once per year. It shall make a final

Article 257 The Liquidation Committee shall exercise the following powers during the liquidation period:

- (I) to notify creditors or issue public notices;
- (II)
- (III) to deal with the Com
- (IV) to pay any tax overdue as well as tax amounts arising from the process of liquidation;
- (V) to claim credits and pay off debts;
- (VI) to handle the surplus assets of the Company after its debts have been paid off;
- (VII) to represent the Company in civil lawsuits.

Article 258 The Liquidation Committee shall notify the creditors within ten (10) days after 4-GBr r

(III) payment of outstanding taxes;

(IV)

(V) distribution to the shareholders according to the class and proportion of their respective shareholdings.

The Company shall continue to exist during the liquidation period, although it shall not engage in distributed to the shareholders before repayment is made in accordance to the foregoing provisions.

Article 261 Should the Liquidation Committee find that the properties of the Company are insufficient for clearing off the debts after liquidating the properties of the Company and preparing the balance sheets and inventory of assets, it shall immediately apply to the court of relevant jurisdiction to Company, the Liquidation Committee shall hand over the liquidation matters to the court of relevant jurisdiction.

Article 262 Following the completion of the liquidation of the Company, the Liquidation Committee shall prepare a liquidation report, a income and expenditure statement and financial accounts in respect of the liquidation period and, after verification thereof by a certified public accountant in China, jurisdiction for confirmation.

meeting or court of relevant jurisdiction, the Liquidation Committee shall submit the same to the company registration authority to apply for de-registration of the Company, and to announce that the Company is terminated.

Article 263 The members of the Liquidation Committee shall devote themselves to their duties and fulfill their obligations of liquidation according to laws. None of the members of the Liquidation Committee may take any bribe or any other illegal proceeds by taking advantage of his/her position, nor may he/she misappropriate any of the properties of the Company.

Where any members of the Liquidation Committee cause any loss to the

CHAPTER 12 AMENDMENT TO ARTICLES OF ASSOCIATION

Article 265 The Company may amend the Articles of Association in accordance with the laws, administrative laws and the Articles of Association. Under any one of the following circumstances, the Company shall amend its articles of association:

- (I) after amendment has been made to the Company Law or relevant laws or administrative regulations, the contents of the Articles of Association conflict with the amended laws or administrative regulations;
- (II) the changes that the Company have undergone are not in consistence with the records made in the Articles of Association;
- (III) _____ should be amended.

Article 266 Where the amendments to the Articles of Association involves the Mandatory Provisions, such amendments shall be made according to the relevant laws and regulations and approved by the CSRC. Where amendments involve registration matters of the Company, procedures for alteration of registration shall be dealt with in accordance with the law.

Article 267
general meeting of the Company. Where the amendments to the Articles of Association approved by the amendments shall be submitted to the relevant competent authorities for approval.

Article 268 The Board shall amend the Articles of Association according to the authorization of the

Article 269 Any amendment to the Articles of Association that involves information to be disclosed as required by the laws and regulations, shall be publicly announced as required.

CHAPTER 13 SETTLEMENT OF DISPUTES

Article 270 The Company shall comply with the following rules in settling disputes:

- (I) whenever any disputes or claims concerning the affairs of the Company arise from any rights or obligations as provided in the Articles of Association, the Company Law and other relevant laws and administrative regulations between a holder of overseas-listed Foreign Shares and the Company, between a holder of overseas-listed Foreign Shares and a Director or Supervisor or President or other senior management of the Company, and between a holder of overseas-listed Foreign Shares and a holder of Domestic Shares, the parties concerned shall resolve such disputes and claims through arbitration.

Where a dispute or claim described above is submitted for arbitration, the entire dispute or claim shall be resolved through arbitration; 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, if they are shareholders, Directors, Supervisors or Presidents or other senior management of the Company or the Company, shall submit to arbitration.

Disputes over who is a shareholder and over the register of members do not have to be resolved through arbitration.

- (II) the party seeking arbitration may select to have the dispute or claim arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must submit to the arbitral institution selected by the party seeking the arbitration. If the party seeking arbitration selects to arbitrate the dispute or claim at the Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen according to the securities arbitration rules of the Hong Kong International Arbitration Centre.
- (III) if any disputes or claims are settled by way of arbitration in accordance with item (I), the laws of the People's Republic of China shall apply, except as otherwise provided in the laws and administrative regulations.
- (IV) the award of the arbitral institution is final and shall be binding on the parties thereto.

CHAPTER 14 SUPPLEMENTARY ARTICLES

Article 271 The Articles of Association are in Chinese. In case of any inconsistency between the Articles of Association and those in other languages or other versions, the Articles of Association in Chinese which are most recently filed with the Market Supervision Administration of Shenzhen shall prevail.

Article 272 **no less than** **within** **no more**
than **beyond** **under** **over** **exceeding**
 exclusive.

In the Arti **actual controller**
 Company but is able to actually govern actions of the Company through investment relationship, agreement or other arrangements.

In **connected transaction** **interested shareholder** **connected**
Director
accounting firm **auditor**

Article 273 The Articles of Association shall be considered and passed by a special resolution at a

Appendices to the Articles of Association shall include the Rules of Procedure for the General Meeting, the Rules of Procedure for the Board of Directors and the Rules of Procedure for the Supervisory Committee.

Article 274 Any matter which is in conflict with the laws, administrative regulations, other relevant regulatory documents and provisions of the listing rules where the shares of the Company are listed as promulgated from time to time, the laws, administrative regulations, other relevant regulatory documents