Articles of Association of Flat Glass Group Co., td.

Chapter 1 General Provisions

Article 1 The Articles of Association are formulated in accordance with the Company *Law of the People's Republic of China* (hereinafter referred to as the "Company Law"), the *Securities Law of the People's Republic of China* (hereinafter referred to as the "Securities Law"), the *Special Provisions of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies* (hereinafter referred to as the "Special Provisions"), the Reply of the State Council on the Adjustment of the Provisions Applicable to the Notice Period for Holding Shareholders' Meeting of Overseas Listed Companies (hereinafter referred to as the "Adjustment Reply"), the *Mandatory Provisions for Articles of Association of Companies Listed Overseas* (hereinafter referred to as the "Mandatory Provisions"), *Guidance for the Articles of Association of Listed Companies* (hereinafter referred to as the "Guidance for Articles of Association"), *Letter of Opinions on Supplementary Amendments to the Articles of Association of Companies to be Listed in Hong Kong* (hereinafter referred to as the "Opinions on Supplementary Amendments"), *Rules Governing the Listing of Securities* on *The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "Listing Rules of the Stock Exchange"), *The Stock Listing Rules of the Shanghai Stock Exchange* (hereinafter referred to as the "Listing Rules of SSE", together with the Listing Rules of the Stock Exchange, are referred to as the "Listing Rules"), and other relevant requirements, with an aim to safeguard the legal interests of Flat Glass Group Co., Ltd. (福萊特玻璃集團股份有限公司) (hereinafter referred to as the "Company" or "the Company"), its shareholders and creditors and regulate the organization and conduct of the Company.

The Company is incorporated as a joint stock limited company in accordance with the Company Law, Special Provisions and other relevant PRC laws and administrative regulations.

The Company is a joint stock limited company established on 29 December 2005 by the promoters under the overall restructuring of the original Zhejiang Flat Glass & Mirror Ltd. (浙江福萊特玻璃鏡業有限公司). The Company was registered with the Zhejiang Provincial Administration for Market Regulation. The promoters of the Company are: Ruan Hongliang, Jiang Jinhua, Ruan Zeyun, Zheng Wenrong, Shen Fuquan, Zhu Quanming, Wei Yezhong, Shen Qifu, Tao Hongzhu and Wei Shutao. The Company's unified social credit code is 913300007044053729.

Article 2 Registered name of the Company:

Chinese name: 福萊特玻璃集團股份有限公司

English name: FLAT GLASS GROUP CO., LTD.

Article 3 Address of the Company: No. 1999, Yunhe Road, Xiuzhou District, Jiaxing City, Zhejiang Province;

Postal Code: 314001;

Telephone number: (86573) − 82793999;

Facsimile number: (86573) − 82793015.

Article 4 The legal representative of the Company is the chairman of the board of directors.

Article 5 The Company is a joint stock limited company having perpetual existence (Listed Company).

Article 6 The Articles of Association shall be put into force upon the consideration and approval at the general meeting of the Company. Upon the effective day of the Articles of Association, the existing Articles of Association of the Company will lapse automatically.

Upon the effective day of these Articles of Association, the Articles of Association shall become the legal document regulating the Company's organization and activities, and the rights and obligations between the Company and its shareholders and among the shareholders interest.

Article 7 The Articles of Association shall also be legally binding on the Company and its shareholders, directors, supervisors, president and other senior management, who shall have the right to make any claims and propositions regarding the Company's affairs in accordance with the Articles of Association.

Pursuant to the Articles of Association, shareholders may pursue actions against the Company, other shareholders and the Company's directors, supervisors, president and other senior management; and pursuant to the Articles of Association, the Company may pursue actions against the shareholders, directors, supervisors, president and other senior management. The other senior management as stated hereof refers to the Company's deputy president, Secretary to the board of directors, Chief Financial Officer and other senior management appointed by the board of directors. (In the Company Law, the manager of the Company is referred to as the president, and the deputy manager of the Company is referred to as the vice president, the same below)

The actions, as referred to in the preceding paragraph, include the imitating of legal proceedings with a court or filing with an arbitral authority for arbitration.

Article 8 The Company may invest in other limited liability companies and companies limited by shares and is liable to such companies to the extent of its capital contribution.

Unless otherwise specified by laws, the Company shall not be the capital contributor bearing joint liability associated with the debts of the invested enterprises.

Article 9 Pursuant to the requirements of the Constitution of the Communist Party of China, the Company shall establish an organization of the Communist Party of China, and carry out the activities of the Party. The Company shall provide necessary support to facilitate the activities of the Party.

Chapter 2 Objective and Scope of Business

Article 10 The business objective of the Company is to achieve customer orientation, faithful cooperation and mutual benefit.

Article 11 The business scope of the Company shall be pursuant to the projects as approved by the relevant registration authority.

The business scope of the Company includes: general projects including manufacturing of glass, manufacturing of technical glass product, manufacturing of mirrors and processing of similar products, provision of loading, unloading and handling services, manufacturing of metal structure, manufacturing of construction material and manufacturing of specialized machinery, provision of metal cutting and processing services, manufacturing of industrial control computers and system, sales of machinery and equipment (except for projects that are subject to approval in accordance with the relevant laws, business operation shall be conducted independently with the business licence(s) in accordance with the laws); and licensed project including import and export of goods (for projects subject to approval according to the relevant laws, operating activities shall only be carried out upon approval from relevant authority(ies), and specific licensed projects shall be subject to the results of approval).

Chapter 3 Shares and Registered Capital

Article 12 The Company shall have ordinary shares at all times; with the approval of the company examination and approval authority authorized by the State Council, the Company may have other classes of shares when needed.

Article 13 All shares issued by the Company shall have nominal values, with each share having a nominal value of RMB0.25.

RMB referred to in the preceding paragraph refers to the statutory currency of the PRC.

Article 14 The stock of the Company shall take the form of shares. The Company may offer its shares to both domestic and foreign investors with the approval of the relevant securities regulatory authority under the State Council. The Company shall issue shares in a fair and just manner, and each share of the same class shall have the same rights. All shares of the same class issued at the same time shall be issued under the same conditions and at the same price; any entity or individual shall pay the same price for each share.

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

Article 15 Shares that the Company issues to domestic investors for subscription in RMB shall be referred to as domestic shares. Shares that the Company issues to foreign investors for subscription in foreign currencies as well as shares holding by foreign investors and shares transferred by shareholders holding domestic shares in the Company shall be referred to as foreign shares. Foreign shares offered and listed overseas shall be named overseas-listed foreign shares.

Foreign currency referred to in the preceding paragraph refers to the statutory currency, other than RMB, of another country or region, which is recognized by the foreign exchange authority of the People's Republic of China ("the PRC") and can be used to pay the Company for the shares.

The domestic shares issued by the Company shall be named A shares. The overseas-listed foreign shares offered by the Company on the Hong Kong Stock Exchange shall be named H shares, i.e., shares which have been admitted for listing on the Hong Kong Stock Exchange, the nominal value of which is denominated in RMB and which are subscribed for and traded in Hong Kong dollars. Upon approval by the State Council or the securities regulatory authority under the State Council and agreed by the Hong Kong Stock Exchange, the A shares may be converted into H shares which may be circulated on the Hong Kong Stock Exchange.

Both holders of domestic shares and holders of foreign shares are ordinary shareholders and shall have the same rights and obligations. The domestic shares issued by the Company and the foreign shares listed overseas shall have the same right with respect of any part dividend or any other form.

Article 16 Approved by the company-approval department authorized by the State Council, the Company issued 70,000,000 shares (with nominal value of RMB1 per share), all of which have been subscribed and held by the promoters at the time of the Company's incorporation.

The promoters of the Company comprise of ten natural persons including Mr. Ruan Hongliang. When the Company was set up as a joint stock company, the registered capital of the Company was RMB70 million and the total number of shares was 70,000,000 shares, the shareholdings of the promoters were as follows:

No.	Name of shareholder	Amount of capital contributed (RMB'000)	Percentage of contribution (%)	Contribution method	Date of contribution
1	Ruan Hongliang	24,500	35.0	Cash	December 2005
2	Jiang Jinhua	17,500	25.0	Cash	December 2005
3	Ruan Zeyun	17,500	25.0	Cash	December 2005
4	Zheng Wenrong	3,150	4.5	Cash	December 2005
5	Shen Fuquan	2,100	3.0	Cash	December 2005
6	Zhu Quanming	2,100	3.0	Cash	December 2005
7	Wei Yezhong	1,050	1.5	Cash	December 2005
8	Shen Qifu	700	1.0	Cash	December 2005
9	Tao Hongzhu	700	1.0	Cash	December 2005
10	Wei Shutao	700	1.0	Cash	December 2005
Total		**70,000**	**100**	**–**	

Article 17 The Company has a total of 2,146,893,254 issued shares. The capital structure of the Company comprises of 2,146,893,254 ordinary shares, including 1,696,893,254 domestic shares (A shares), accounting for 79.04% of the total issued shares of the Company and 450,000,000 overseas-listed foreign shares (H shares), accounting for 20.96% of the total issued shares of the Company.

Article 18 The domestically-listed domestic shares issued by the Company shall be under depository by the relevant organ satisfying the relevant provisions. The H-shares issued by the Company are mainly under the custody by the securities registration and settlement company in Hong Kong or held by shareholders in their own names.

Article 19 The board of directors of the Company may make arrangement for the Company's separate issuance of overseas-listed foreign shares and domestic shares according to the issue scheme approved by the securities regulatory authority under the State Council.

According to the aforesaid scheme for separate issuance of overseas-listed foreign shares and domestic shares, the Company may issue such shares separately within 15 months upon approval of the securities regulatory authority under the State Council.

Article 20 If the Company separately issues overseas-listed foreign shares and domestic shares within the total number specified in the issue scheme, the said shares shall be issued respectively at one time; if it is impossible for the shares to be issued at one time for special reasons, the shares may be issued by several times upon approval by the securities regulatory authority under the State Council.

Article 21 The Company's registered capital is RMB536,723,313.50. The change in registered capital of the Company shall be registered at the competent Administration for Industry and Commerce.

Article 22 The Company may increase its capital pursuant to the needs of operation and development and in accordance with the laws, administrative regulations, departmental rules, listing rules of the place where the stocks are traded and based on the Articles of Association.

The Company may increase its capital by:

(I) Offer of new shares to specified or unspecified investors;

(II) Placement of new shares to existing shareholders;

(III) Offer of new shares to existing shareholders;

(IV) Offer of new shares to specified investors;

(V) Conversion of capital reserve into share capital;

(VI) Conversion of the Company’s issued convertible bonds into shares;

(VII)

Where the board of directors of the Company fails to implement the provisions set out in the first clause of this article , the shareholders concerned have the right to require the board of directors to implement them within 30 days, and the Directors shall bear joint liability. Where the board of directors fail to implement them within the aforesaid term, the shareholders shall have the right to directly file a lawsuit with the people's court in their own names for the interests of the Company.

If the Board of the Company fails to comply with the first clause of this article, the Directors shall bear joint liability.

Chapter 4 Capital Reduction and Repurchase of Shares

Article 25 The Company may reduce its registered capital in accordance with the Articles of Association. The Company shall reduce its registered capital pursuant to the Company Law, other relevant regulations and the Articles of Association.

Article 26 The Company shall prepare a balance sheet and a list of property when reducing its registered capital.

The Company shall notify all creditors within 10 days after adoption of the resolution to reduce the registered capital and shall make announcements in newspapers within 30 days. The creditors shall have the right to require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after receipt of the notice or within 90 days after the first announcement if the creditors haven't received the notice.

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

Article 27 The Company shall not purchase its own shares, except in one of the following situations:

(I) When cancelling shares for reduction in the registered capital of the Company;

Article 28 The Company may purchase its shares in any of the following ways:

(I) Issuing a repurchase offer to all shareholders according to an equal percentage;

(II) Buying back through open transaction in the stock exchange;

(III) Buying back through agreement outside the stock exchange;

(IV) Other means stipulated by laws, administrative regulations and the CSRC.

Where the Company purchase its shares under the circumstances as mentioned in (III), (V) & (VI) of Article 27 of the Articles of Association, the repurchase shall be carried out by public concentrated transaction.

(VI) The Company provides loan for the employee stock ownership plan (but such financial assistance shall not give rise to a decrease in net assets of the Company, or despite of causing a decrease, such financial assistance is given out of the distributable profit of the Company).

Chapter 6 Shares and Shareholders' Register

Article 35 A Share certificate refers to the certificate evidencing that the shares issued by the Company are held by the shareholder concerned. The Company's shares are all registered shares.

Matters specified in the Company's share certificates shall include:

(I) Company name;

(II) Date of incorporation of the Company;

(III) Shareholder's name and address;

(IV) Class of shares held by each shareholder, par value and the number of shares represented;

(V) Serial number of the share certificate held by each shareholder and the date on which the shares are acquired;

(VI) Other matters to be specified pursuant to the Company Law, Special Provisions, Rule 19A.52 of the Listing Rules of the Stock Exchange and as required by the stock exchange on which the Company's shares are listed.

During the period when the overseas-listed foreign shares are listed on the Hong Kong Stock Exchange, the Company shall ensure all listing documents and ownership certificates of all its shares listed on the Hong Kong Stock Exchange (including overseas-listed foreign shares which are listed on the Hong Kong Stock Exchange) shall include the following statements, and shall instruct and promote its share registrar to reject any subscription, purchase or transfer of the shares registered in the name of any individual holder, unless and until the said individual holder has submitted to the said share registrar the signed relating to the said shares, which shall include the following statements:

(I) The share purchaser agrees with the Company and each of its shareholders, and the Company agrees with each shareholder to observe and comply with the Company Law, Special Provisions, other relevant laws, administrative regulations and the Articles of Association.

(II) The share purchaser agrees with the Company and each of the Company's shareholders, directors, supervisors, president and senior management, and the Company acting on its behalf and for each director, supervisor, president and senior executive agrees with each shareholder, to refer all disputes or claims arising from the Articles of Association or from the rights or obligations specified in the Company Law or other relevant laws or administrative regulations with respect to the Company's affairs to arbitration in accordance with the Articles of Association, and that any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct a public hearing in open session and to publish its arbitration award, and the arbitration award shall be final and conclusive.

(III) The share purchaser agrees with the Company and each of its shareholders that the shares of the Company can be transferred freely by the holders.

The share purchaser authorizes the Company to conclude contract on his behalf with each director, president and senior executive, who shall undertake to observe and fulfill duties for shareholders as specified in the Articles of Association.

Article 36 The Company's shares may be transferred, given as a gift, inherited and pledged pursuit to the relevant laws, administrative regulations, departmental rules and the Articles of Association.

The transfer of shares requires registration at the shares registration organ entrusted by the Company.

Article 37 The Company does not accept shares of the Company as the subject of any pledge.

Article 38 Share certificates shall be signed by the chairman of the board of directors. Other relevant senior management of the Company shall also sign the share certificates if required by the stock exchange with which the Company's shares are listed. The share certificates shall come into effect after stamping or printing of the corporate seal thereon. The share certificates shall only be stamped with the corporate seal under the authorization of the board of directors. The signature of the chairman or other relevant senior executive of the Company may also be printed on the share certificates.

Article 39 The Company shall maintain a shareholders' register recording the following matters:

(I) Names (titles), addresses (domiciles), occupations or features of the shareholders;

(II) Class and number of shares held by the shareholders;

(III) Monies paid or payable for the shares held by the shareholders;

(IV) The serial numbers of the shares held by the shareholders;

(V) Date on which the shareholders are registered as shareholders; and

(VI) Date on which the shareholders terminate as shareholders.

The shareholders' register is sufficient evidence of the shareholders' shareholdings in the Company unless there is evidence to the contrary.

Article 40 The Company may keep the register of holders of overseas-listed foreign shares overseas and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and the overseas securities regulatory authority. The original register of holders of Hong Kong-listed foreign shares shall be kept in Hong Kong.

A copy of the register of holders of overseas-listed foreign shares shall be made available at the Company's domicile; the appointed foreign agency shall at any time ensure the original and the copy of the register of holders of overseas-listed foreign shares are consistent.

In the event that the records in the original and the copy of the register of holders of overseas-listed foreign shares are inconsistent, the original shall prevail.

Article 41 The Company shall keep a complete shareholders' register.

The shareholders' register shall include the following parts:

(I) Shareholders' register kept at the domicile of the Company, save as specified in (II) and (III) herein;

(II) The Company's register of holders of overseas-listed foreign shares kept in the place of the overseas stock exchange where the shares are listed; and

(III) Shareholders' register that the board of directors decides to keep in other place for the purpose of listing the shares of the Company.

Article 42 The respective parts of the shareholders' register shall not overlap each other. In the event of transfer of shares registered in a specific part of the shareholders' register, the said shares shall not be registered in any other part of the shareholders' register in the duration of the registration of the said shares.

Alterations or corrections to each section of the register of shareholders shall be made in accordance with the laws of the place where such section of the register of shareholders is kept.

Article 43 All overseas-listed foreign shares listed on the Hong Kong Stock Exchange for which full payment has been made may be transferred freely in accordance with the Articles of Association; save that under the following conditions, the board of directors may refuse to recognize any transfer instrument without providing any reason:

(I) The transfer instrument and other instruments relating to the ownership of any share or affecting transfer of the share ownership shall be registered, and relevant payment shall be made to the Company according to the expense standard specified in the Listing Rules of the Stock Exchange to register the documents of share transfer and other share ownership documents with respect to or influence the ownership of the shares;

(II) The transfer instrument only involves overseas-listed foreign shares listed in Hong Kong;

(III) Stamp duty has been paid for the transfer instrument;

Article 46 If the Company convenes a general meeting, distributes dividends, conducts liquidation or executes any other act requiring recognition of shareholding, the board of directors shall designate a certain date as shareholding determination date, at the end of which the shareholders in the register shall be shareholders of the Company.

Article 47 If any person objects to the shareholders' register and asks to have his name (title) recorded in or deleted from the shareholders' register, the said person may apply to the court of competent jurisdiction to correct the shareholders' register.

Article 48 If any shareholder in the shareholders' register or any person requesting to have his name (title) recorded in the shareholders' register has lost his share certificate (i.e. "the original share certificate"), the said shareholder or person may apply to the Company to reissue new share certificate for the said shares (i.e. "the relevant shares"). Regarding exercise of right to issue warrants to a bearer, the Company shall not issue any new warrant to replace the lost one, unless it is sure beyond reasonable doubt that the original warrant has been destroyed.

Application for reissuance of lost share certificates held by holders of domestic shares shall be processed in accordance with the Company Law.

Application for reissuance of lost shares by holders of overseas-listed foreign shares may be processed pursuant to the law, regulation of the stock exchange or other relevant regulation of the place where the original of the shareholders' register of overseas-listed foreign shares is kept.

Application for reissuance of lost shares held by holders of overseas-listed foreign shares listed in Hong Kong shall meet the following requirements:

(I) The applicant shall submit an application with the standard format designated by the Company and attach a notarial deed or statutory statement. The content of the notarial deed or statutory statement shall include the reason for application, information about how the share certificate is lost, and a statement that no other person may request to be registered as shareholder for the relevant shares.

(II) Before deciding to reissue new share certificate, the Company has not received a statement that anybody other than the applicant requests to be registered as shareholder for the said shares.

(III) After deciding to reissue new share certificate to the applicant, the Company shall publish announcement of reissuance of new share certificate on the newspapers designated by the board of directors for a period of 90 days, with at least one announcement in a 30 day period.

(IV) Before publishing the announcement of reissuance of new share certificate, the Company shall submit a copy of the draft announcement to the stock exchange with which the Company is listed, and may publish the announcement only after receiving reply from the said stock exchange confirming that the said announcement has been displayed in the stock exchange. The said announcement shall be displayed in the stock exchange for 90 days.

If the application for reissuing share certificate is not approved by the registered holder of the relevant shares, the Company shall send a copy of the draft announcement to the said shareholder.

(V) If, after expiry of the 90-day period of announcement and display specified in (III) and (IV) of this Article, the Company has not received any objection to reissuance of share certificate, the Company may reissue new share certificate as requested by the applicant.

(VI) When the Company reissues new share certificate pursuant to this Article, the Company shall immediately cancel the original share certificate, and record such cancellation and reissuance in the shareholders' register.

(VII) All the expenses for cancellation of the original share certificate and reissuing new share certificate shall be borne by the applicant. The Company may refuse to take any action before the applicant provides any reasonable guarantee.

Article 49 After the Company reissues new share certificate in accordance with the Articles of Association, the name (title) of the bona fide purchaser of the aforesaid new shares or the shareholder later registered as owner of the said shares (if he is a bona fide purchaser) shall not be deleted from the shareholders' register.

Article 50 The Company shall have no obligation to compensate any person for any loss arising from cancellation of the original share certificate or reissuance of new share certificate, unless the said person can prove that the Company has committed any fraud.

Chapter 7 Rights and Obligations of Shareholders

Article 51 Shareholders of the Company are persons lawfully holding shares of the Company, with names (titles) recorded in the shareholders' register.

Shareholders enjoy the rights and fulfill the obligations as per the class and number of shares they hold; shares of the same class enjoy the same rights and assume the same obligations.

The Company shall not exercise any right to freeze or otherwise damage the rights attached to any shares directly or indirectly held by any person only on the ground that the said person has not disclosed his shareholding to the Company.

Where two or more persons are registered as joint shareholders of any shares, they shall be deemed as the joint holders of the said shares subject to the following restrictions:

(I) The Company shall not have to register more than four persons as joint shareholders of any shares;

(II) The joint shareholders of any shares shall jointly and severally assume the responsibility for amounts of fees payable for the relevant shares;

(III) In the event that any one of the joint shareholders deceases, only the other remaining joint shareholders shall be deemed by the Company as the owners of the relevant shares. However, the board of directors may, for the purpose of modifying the shareholders' register, require the presentation of a death certificate of the relevant shareholder as it deems appropriate; and

(IV) Among the joint shareholders of any shares, only the joint shareholder listed first in the shareholders' register has the right to take the relevant share certificate from the Company and receive notices of the Company, and any notice served to the said person shall be deemed as havi(i)0.5 (d)0.5ncCompany and receaa nasvemeeehal25 Td[

(d) Full-time and all part-time occupations and duties;

(e) Identity certificates and numbers thereof;

(3) Report of status of the issued share capital of the Company;

Article 54 In the event that the particulars of a resolution passed at a shareholders' general meeting or a board meeting are in violation of laws or administrative regulations, the shareholders shall have the right to petition a people's court to establish such particulars as invalid.

In the event that the procedures for convening a shareholders' general meeting or a board meeting, or the voting methods thereof are in violation of laws, administrative regulations or the Articles of Association, or the particulars of a resolution are in violation hereof, the shareholders shall have the right to petition a court to make revocation within sixty days from the date of the resolution.

Article 55 In the event that a director or a senior management officer violates laws, administrative regulations or the Articles of Association when performing his duties for the Company, thus causing losses to the Company, the shareholders who either alone or jointly having been holding more than one percent of voting shares of the Company for one hundred and eighty consecutive days or more shall have the right to request in writing that the board of supervisors bring legal action before a court. In the event that the board of supervisors violates laws, administrative regulations or the Articles of Association when executing its duties for the Company, thus causing losses to the Company, shareholders may request in writing that the board of directors bring legal action before a people's court.

(III) Allowing directors and supervisors (for the interests of their own or others) to seize from other shareholders their personal rights and interests, including (but not limited to) any right to profit distribution and right to vote, but excluding corporate reorganization submitted for adoption at the general meeting pursuant to the Articles of Association.

Article 61

(VI) To examine and approve tGS0 gs/T t0.010onanci.01budgetspprov0onal accounting plansofgs/T

Article 64 The following external guarantees by the Company shall be considered and approved by the shareholders' general meeting.

(I) Any guarantee provided after the total amount of external guarantees by the Company and its controlled subsidiaries meet or exceed fifty percent of the latest audited net assets;

(II) Any guarantee provided after the total amount of external guarantees by the Company and its controlled subsidiaries exceed thirty percent of the latest audited total assets;

(III) Any guarantee provided for a target party whose asset-liability ratio is over seventy percent;

(IV) Any guarantee with a single guaranteed amount in excess of ten percent of the latest audited net assets;

(V) Any guarantee exceeding 30% of the total audited assets of the latest period cumulatively calculated within twelve consecutive months subject to the guarantee amount;

(VI) Any guarantee provided to shareholders, de facto controllers and their connected parties;

(VII) Other guarantee as stipulated by Listing Rules of Stock Exchange and Articles of Associations of the Company.

The above external guarantees subject to the approval of the general meeting of the Company shall be considered and approved by the board of directors before they are submitted to the general meeting for approval. All the directors of the Company shall carefully consider and strictly control any debt risks arising from providing guarantee for any external party and shall be legitimately liable for any losses caused by any non-compliant or improper provision of such guarantee.

Article 65 The Company may not enter into any contract with anyone other than a director, supervisor, president or other senior executive to have all or a significant part of the Company's business in the care of the said person except under special circumstances such as where the Company is in a crisis. Unless prior approval obtained by shareholders at a general meeting by way of special resolution.

Article 66 General meetings are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the board of directors. Annual general meetings shall be convened once a year within six months after the end of the preceding fiscal year.

In any of the following circumstances, the board of directors shall convene an extraordinary general meeting within two months upon occurrence of such circumstance if:

(I) When the number of directors falls short of the minimum number required by the Company Law or is less than two-thirds of the number required by the Articles of Association;

(II) When the accrued losses of the Company amount to one-third of its total share capital;

(III) When shareholder(s) individually or jointly holding 10% or more of the Company's issued and outstanding shares carrying voting rights request(s) in writing for the convening of an extraordinary general meeting;

(IV) When the board of directors deems it necessary or the board of supervisors proposes to convene an extraordinary general meeting;

(V) In any other circumstances stipulated by the laws, administrative regulations, departmental regulations, the Listing Rules and the Articles of Association.

The venue of the general meeting shall be the domestic of the Company or the venue explicitly notified in the notice of the general meeting. After issuing the notice of a general meeting, the venue of the physical general meeting shall not be changed without any justifiable causes. If there is a need to change, the convener shall make an announcement and explain the reasons at least two working days prior to the physical meeting date. A general meeting shall be conducted in the form of a physical meeting at the designated venue for meeting. In addition, the Company will provide online and other means for the convenience of participation by the shareholders. A shareholder who participates in a general meeting in the aforesaid means shall be deemed as being present.

During the general meeting, the Company will retain an attorney to issue legal opinion on the following matters and publish the same:

(1) Whether the procedures of convening and holding the meeting comply with relevant laws or administrative regulations and the Articles of Association;

(2) Whether the qualifications of the attendants and the convener are lawful and valid;

(3) Whether the voting procedure and results are lawful and valid;

(4) Other relevant issues as required by the Company.

Article 67 A written notice convening the annual general meeting shall be given by the convener not less than 21 days before the date of the meeting to notify all shareholders of the meeting; whereas a written notice of the extraordinary general meeting shall be given not less than 15 days before the date of the meeting to notify all shareholders of the meeting.

The calculation of the abovementioned period shall not include the date of publishing the announcement and that of the meeting is convened.

Article 68 Notice of general meeting shall meet the following requirements:

(I) Is in written form;

(II) Specifies the venue, date and time of the meeting;

(III) States matters and proposals to be considered at the meeting;

(IV) Provides such necessary information and explanations for shareholders to make an informed judgment on the matters to be considered. Without limitation to the generality of the foregoing, where a proposal is made with respect to the merger of the Company with another company, the repurchase of shares, restructuring of share capital, or other reorganization of the Company, the terms of the proposed transaction must be provided in detail along with copies of the proposed contract (if any), and the reason(s) and effect of such proposal must be properly explained;

(V) Contains a disclosure of the nature and extent of the material interests of any director, supervisor, president or other senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders insofar as it is different from the effect on the interests of shareholders of the same class;

(VI) Contains the full text of any special resolution to be proposed at the meeting;

(VII) Contains a clear statement that a shareholder entitled to attend and vote at such meeting is entitled to appoint one or more proxies to attend and vote at such meeting on his behalf and that such proxy need not be a shareholder of the Company;

(VIII) Specifies the time and venue for serving the power of attorney for the voting proxy for the meeting;

(IX) The time between the date of registration of shareholding of the shareholders for determining those shareholders entitled to attend the shareholders' meeting, the date of registration and the date of the meeting shall comply with the requirements of the relevant supervisory authorities of the place where the shares of the Company are listed; and

(X) The names and telephone numbers of the standing contact persons for the meeting;

(XI) Specifies the voting time and voting procedure for voting on the network or otherwise.

Article 69 The notice of general meeting shall be delivered to shareholders (whether or not they are entitled to vote at the general meeting) by any modes agreed by the local securities exchange where the Company's shares are listed (including but not limited to mailing, e-mail, fax, public announcement and website of local securities exchange where the Company or the Company's shares are listed). The address of the recipient is that as shown in the shareholders' register. For shareholders of domestic shares, the notice of general meeting shall be delivered by mode of public announcement.

Public announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities authority under the State Council. Once the announcement has been published, all holders of domestic shares shall be deemed to have received the notice of the relevant general meeting.

Article 70 When the Company issues notice of shareholders' meetings in the manner as required by the relevant stock exchange(s) or regulatory authority(ies) of the place where the shares are listed, the accidental omission to give notice of meeting to, or non-receipt of notice of meeting by, any person entitled to receive notice shall not invalidate the meeting and the resolutions made at the meeting.

Article 71 After a notice of shareholders' general meeting is given, the shareholders' general meeting shall not be postponed or canceled, and the proposals set out in the notice of shareholders' general meeting shall not be canceled without due reason. Once the meeting is postponed or cancelled, the convener shall make an announcement and explain the reasons at least two working days prior to the scheduled meeting date.

Article 72 Any shareholder entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one or more persons (whether a shareholder or otherwise) as his proxy/proxies to attend and vote on his behalf. The said proxy may exercise the following rights as granted by the said shareholder:

(I) The shareholder's right to speak at the general meeting;

(II) To severally or jointly request to vote on a poll;

(III) To exercise the right to vote by a show of hand or on a poll. Where there is more than one proxy, the said proxy shall only vote on a poll.

Article 73 The instrument appointing a proxy shall be in writing under the hand of the principal or his proxy duly authorized in writing or, if the principal is a legal person, it shall be under seal or under the hand of a director or a proxy duly authorized. Such instrument shall specify the number of shares to be represented by the proxy.

Article 74 The power of attorney for voting shall be deposited at the domicile of the Company or such other place as specified in the notice of meeting at least 24 hours prior to the meeting at which the proxy is authorized to vote or 24 hours before the scheduled voting time. Where the relevant stock exchange(s) or regulatory authority(ies) in the place where the shares of the Company are listed provide otherwise, such provisions shall be followed.

Where such power of attorney is signed by a person authorized by the principal, the power of attorney authorizing signature or other authorization documents shall be notarized. The notarized power of attorney and other authorization documents shall, together with the power of attorney for voting, be deposited at the Company's domicile or other location as specified in the notice of the meeting.

Where the principal is a legal person, its legal representative or a person authorized by the board of directors or other decision making body shall attend the general meeting of the Company on his behalf.

If the shareholder is a Recognized Clearing House (or its agent), the said shareholder may authorize one or more persons as he deems appropriate to act on his behalf at any general meeting or class general meeting; however, where several persons are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons. The power of attorney shall be signed by the respective proxies appointed by the Recognized Clearing House. The persons thus authorized may attend the meetings and exercise rights on behalf of the Recognized Clearing House as if the said persons were the natural person shareholders of the Company.

Article 75 Any instrument issued to a shareholder by the board of directors of the Company for appointing a proxy shall provide the shareholder with the flexibility to instruct the proxy to vote for or against, and give instruction on each of the resolutions to be decided at the meeting. Such instrument shall contain a statement that, in the absence of any instruction, the proxy may vote as he thinks fit.

Article 76 A vote given by a proxy in accordance with the terms of the power of attorney shall be valid notwithstanding the death, loss of capacity, revocation of the power of attorney, revocation of the authority under which the proxy was executed, or the transfer of the share(s) in respect of which the proxy is given prior to voting, provided that no written notice of such death, loss of capacity, revocation or transfer has been received by the Company before the commencement of the meeting.

Article 77 An independent director has the right to propose to the board of directors to convene an extraordinary general meeting. The board of directors shall, in accordance with the laws, administrative regulations and the provisions of these Articles of Association, within 10 days of receiving the proposal, submit written reply on its consent or disagreement to the convening an extraordinary general meeting.

If the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice of meeting within 5 days after the decision of the board of directors is made. If the board of directors does not approve the convening of an extraordinary general meeting, it shall explain the reasons and make a public announcement.

Article 78 The board of supervisors has the right to propose to the board of directors to convene an extraordinary general meeting in writing. The board of directors shall, in accordance with the laws, administrative regulations and the provisions of the Articles of Association, submit, within 10 days of receiving the proposal, written reply on his/her consent or disagreement to the convening an extraordinary general meeting.

If the board of directors agrees to convene an extraordinary general meeting, it shall issue a meeting notice within 5 days after the decision of the board of directors is made,

(IV) If the board of supervisors agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of shareholders' meeting within 5 days of the decision of the board of supervisors. If there are changes to the original request in the notice, they should be agreed by the relevant shareholders. If the board of supervisors does not issue the notice of shareholders' meeting within the prescribed period, this is treated as the board of supervisors not convening and not holding the shareholders' meeting. Then shareholders who individually or together hold more than 10% of the shares for more than 90 consecutive days can convene and hold the meeting by themselves, the procedure for covering such meeting shall, to the extent possible, be the same as the procedure for convening a general meeting by the board of directors.

Where the shareholders convene and preside over a meeting because the board of directors and the board of supervisors fail to convene the meeting pursuant to the aforesaid request, the reasonable expenses incurred shall be borne by the Company.

Article 80 When the Company convenes a shareholders' meeting, the board of directors, the board of supervisors and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall be entitled to propose motions to the Company.

Shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit a written supplementary motion(s) to the convener of the board of directors 10 days before a shareholders' meeting is convened; the convener shall issue a supplementary notice of the shareholders' meeting announcing the contents of the supplementary motion(s) within two days after receipt of the said motion(s).

Unless otherwise provided in the preceding paragraph, the convenor may not amend the proposals set out in the notice of shareholders' general meeting, or add new proposals after issuing an announcement on the notice of shareholders' general meeting.

The motion(s) that has/have not been set out in the notice of the shareholders' meeting or that is/are not in compliance with Article 81 shall not be voted or resolved on at the general meeting.

Article 81 Provisional motions of the shareholders' meeting shall meet the following conditions:

(I) The content shall comply with the laws, administrative regulations, the Articles of Association and the related regulations and requirements of relevant stock exchanges or regulatory authorities at the place where the shares are listed, and shall fall within the authority of the general meeting;

(II) It shall have a clear topic and specific resolution for consideration;

(III) It shall be submitted or served to the convener in written form.

Article 82 General meetings shall be convened by the board of directors and the chairman of the board of directors shall preside over the meeting. If the chairman of the board of directors is unable or fails to perform his duties, the vice chairman of the board of directors shall preside over the meeting; if the vice chairman is unable or fails to perform his duties, more than half of the directors may elect a director to convene and act as the chairman of the meeting.

If the board of directors cannot or fails to convene a general meeting, the board of supervisors shall duly convene and preside over such meeting; if even the board of supervisors cannot or fails to convene and preside over a general meeting, the shareholders individually or jointly holding more than 10% of the Company's shares for more than 90 consecutive days may by themselves convene and preside over a general meeting. If for any reason the shareholders cannot elect a chairman for the meeting, the shareholder (including proxy thereof) holding the most voting shares among the attending shareholders shall preside over the meeting.

Article 83 Shareholders (including proxies thereof) who vote at a general meeting shall exercise their voting rights as per the number of voting shares they represent. Each share carries the right to one vote.

When material issues affecting the interests of small and medium-sized investors are being considered by the A share shareholders at the shareholders' meeting, the votes by small and medium-sized investors shall be counted separately. The separate voting results shall be disclosed publicly in a timely manner.

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

Shareholders, who purchase the voting shares of the Company in violation of provisions of the first clause and the second clause of Article 63 of the Securities Law, shall not exercise the voting rights of the shares that exceed the prescribed ratio within 36 months after purchasing them, and such shares shall not be included in the total number of shares with voting rights at a general meeting.

The board of directors of the Company, independent directors and shareholders holding 1% or more shares with voting rights or investor protection agencies established pursuant to laws, administrative regulations or the provisions of CSRC may collect voting rights from the shareholders publicly. While collecting votes from the shareholders, sufficient information such as specific voting preference shall be disclosed to the persons whose voting rights are being collected. No consideration or other form of de facto consideration shall be offered to collect the voting rights from the shareholders. Save for statutory conditions, the Company shall not impose any restriction on minimum shareholdings in collecting the voting rights.

Pursuant to the applicable laws and regulations or the Listing Rules of the Stock Exchange and the Listing Rules of SSE, whereas any shareholder is required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any vote cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 89 The list of candidate of directors and supervisors shall be submitted to the shareholders' meeting as a proposal for voting. The method and procedures for nomination of directors and supervisors are as follows:

(I) The board of directors and shareholder(s) holding or jointly holding more than 3% of the Company's shares shall nominate candidate(s) for director(s);

(II) The board of directors, the board of supervisors and shareholder(s) independently or jointly holding more than 1% of the Company's shares shall nominate candidate(s) for independent director(s);

(III) The board of supervisors and shareholder(s) holding or jointly holding more than 3% of the Company's shares shall nominate candidate(s) for supervisor(s) who is/are not employees' representative(s);

(IV) The supervisor(s) representing employees in the board of supervisors shall be elected from the general meeting of employee representative(s); and

(V) When the shareholders nominate director(s), independent director(s) or supervisor(s), the nomination proposal, details of the nominated candidates, declaration or undertaking of the candidate shall be submitted to the board of directors 10 days before convening the general meeting.

The board of directors shall issue an announcement or a circular on the biography and basic information of the candidate for director(s) and supervisor(s) to the shareholders, and the notice period for the announcement and circular shall comply with the regulations and requirements of the relevant stock exchanges or regulatory authorities at the place where the shares of the Company are listed.

When voting on the election of director(s) and supervisor(s) at the shareholders' meeting, the cumulative voting system may be used in accordance with the requirements of the regulatory authorities of the place where the shares are listed, provisions of the Articles of Association or the resolutions at the general meeting. Under the cumulative voting system, the election of independent directors shall be conducted separately from that of other members of the board of directors. When electing two or more directors or supervisors, the cumulative voting system shall be implemented. Where the cumulative voting system is implemented in electing directors, the voting of the independent directors shall be conducted separately form that of the non-independent directors.

Cumulative voting mentioned in the preceding paragraph means that when directors or supervisors are being elected at a shareholders' meeting, each share has the same voting rights as the number of candidates for directors or supervisors, and the shareholders' voting rights may be used in a centralized manner.

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

Article 90

Article 93 The following matters shall be approved by special resolutions at a general meeting:

(I) Increase or reduction in share capital of the Company and the issue of shares of any class, warrants and other similar securities;

(II) Issue of bonds of the Company;

(III) Division, spin-off, merger, dissolution and liquidation of the Company;

(IV) Revision of the Articles of Association;

(V) Examination and review and implementation of the equity incentive plan;

(VI) When the Company buys, or sells material assets or guarantees an amount exceeding 30% of the latest audited total assets within one year;

(VII) Other matters as prescribed in the laws, administrative regulations, departmental rules and provisions of the local securities regulatory authority at the place where the Company's share are listed or the Articles of Association as well as any other matters considered by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by a special resolution.

Article 94 When the shareholders' general meeting considers matters relating to related parties transactions, the related shareholders shall not participate in the voting, and the number of the voting shares represented by them shall not be counted into the total number of valid voting shares; and a public announcement of the resolutions of the shareholders' general meeting shall be made to fully disclose the way of voting of unrelated shareholders.

For approval of related party transactions at the Company' general meeting, the related shareholders shall, prior to the approval at the general meeting, actively submit the application for recusal; the unrelated shareholders shall have the right to submit the application for recusal against the related shareholders to the general meeting prior to approval of the relevant case at the general meeting. Such application shall be submitted in written form and indicate the reasons thereof. Prior to approval of the relevant case at the general meeting, examination and approval of such application shall be made first.

After conclusion of the general meeting, in the event any other shareholder finds that the relevant shareholder participates in voting of related party transaction, or has objection on whether a recusal shall apply, it shall have the right to bring a suit in accordance with the regulations of the Articles of Association. Where the related shareholders clearly indicate recusal, other shareholders who attend the general meeting shall put the relevant case for examination and approval. The voting results and other resolutions passed at the general meeting are equally valid.

Article 95 The chairman of the meeting shall be responsible for determining whether a resolution has been passed pursuant to the voting results. His decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minutes.

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

Article 97 If ballots are counted at a general meeting, the counting result shall be recorded in the meeting minutes.

The minutes together with the attendance record of shareholders and the powers of attorney of the proxies shall be kept at the domicile of the Company.

Article 98 Minutes of the general meeting of shareholders shall be prepared by the Secretary to the board of directors and the following shall be recorded therein:

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Article 99 The convener shall ensure that the contents of the minutes are true, accurate and complete. The directors, the supervisors, the secretary to the board of directors, the convener or his/her representative and the chairperson shall sign on the minutes. The minutes shall be kept, together with other valid information such as the book of signatures of the shareholders present at the meeting and the power of attorney for the proxies, and the valid information regarding the voting via the Internet or other means, for no less than 10 years.

Article 100 The convener shall ensure the general meeting of shareholders is held without adjournment until the final resolution is reached. Where special reasons such as force majeure and so on cause a suspension of the meeting or non-adoption of resolution, necessary measures shall be taken to resume the meeting, or to end the meeting directly and the same shall be stated in an announcement in a timely manner. Meanwhile, the convener shall report the same to CSRC sub-office and the stock exchange where the Company is located. If the listing rules of the stock exchange(s) on which the Company's shares are listed have special provisions on the termination and extension of the general meeting, such provisions shall be complied with.

Article 101 Shareholders may examine photocopies of the minutes of meetings during the Company's office hours free of charge. If any shareholder requests for a photocopy of the relevant minutes of meetings, the Company shall send such photocopies within 7 days upon receipt of the payment for reasonable charges.

Article 102 The on-the-spot General Meeting shall not end earlier than the end of the meeting held online or by any other means, and the chairperson of the meeting shall announce the voting results on each proposal at the on-the-spot meeting and whether the proposal is adopted based on the voting results.

All parties involved in the voting on the spot, online or by any other means at the General Meeting, including the Company, vote counters, scrutineers, major shareholders and network service providers, shall be obliged to keep confidential the voting before the voting results are formally announced.

Article 103 Resolutions passed at the meeting shall be immediately announced in accordance with the listing rules of the stock exchange where the Company's shares are publicly traded. The announcement should list the number of shareholders or their agents appearing at the meeting, the total number of voting shares of such shareholders or agents, the ratio of such voting shares to total voting shares at the Company, the means by which votes were cast, the voting result for each proposal, and the particulars of each resolution passed. Statistics on the attendance and the voting of domestic shareholders and foreign shareholders shall be kept on an individual basis, and announced accordingly.

Article 104 Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the announcement of the resolutions of the general meeting.

Article 105 Where a proposal on election of directors or supervisors is passed at the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions of the shareholders' general meeting are approved.

Article 106 Where a proposal on cash dividends, bonus shares or increase of share capital by way of transfer from capital reserves, the Company shall implement the specific scheme within two months after conclusion of the general meeting.

Chapter 9 Special Procedures for Voting by Class Shareholders

Article 107 Holders of different classes of shares are class shareholders.

Class shareholders shall enjoy the rights and fulfill the obligations pursuant to the laws, administrative regulations and the Articles of Association.

If the share capital of the Company includes shares without voting rights, then the said shares shall be specified as “non-voting shares”.

If the share capital includes shares with different voting rights, then each class of shares (except those with most preferential voting right) shall be specified as “restricted voting” shares or “limited voting” shares.

Article 108 Rights conferred on any class of shareholders in the capacity of shareholders may not be varied or abrogated unless approved by a special resolution of

(VII) To create a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of the said class;

(VIII) To restrict the transfer or ownership of the shares of the said class or to impose additional restrictions;

(IX) To issue rights to subscribe for, or to convert into, shares of the said class or another class;

(X) To increase the rights and privileges of the shares of another class;

(XI) To restructure the Company in such a way as to cause shareholders of different classes to bear liabilities disproportionately during the restructuring;

(XII) To vary or abrogate provisions in this chapter.

Article 110 The class shareholders so affected, whether or not otherwise entitled to vote at a general meeting, shall nevertheless be entitled to vote at any class meetings with respect to matters set forth in (II) to (VIII), (XI) to (XII) of Article 109, but interested shareholder(s) shall not be entitled to vote in class meetings.

The meaning of "interested shareholder" in the preceding paragraph is:

(I) in the case of a repurchase of shares by offers to all shareholders pro rata according to Article 28 under the Articles of Association or public dealing on a stock exchange, a "controlling shareholder" within the meaning of Article 61 stipulated in the Articles of Association;

(II) in the case of a repurchase of shares by an off-market contract according to Article 28 provided in the Articles of Association, a holder of the shares to which the proposed contract relates;

(III) in the case of a restructuring of the Company, a shareholder within a class who bears less than a proportionate burden imposed on that class under the proposed restructuring or who has an interest in the proposed restructuring different from the interest of shareholders of that class.

Article 111 Resolutions of a class meeting shall be approved by votes representing more than two-thirds of the voting rights of shareholders of that class present at the meeting who, in accordance with Article 110, are entitled to vote at the meeting.

Article 112 Where the Company convenes a class meeting, a written notice shall be given or an announcement shall be published at least 21 days before the date of the annual general meeting and at least 15 days before the date of the extraordinary general meeting to notify all the shareholders of the said class in the shareholders' register of the matters to be considered at the meeting, and the date and venue of the meeting. The calculation of the abovementioned period shall not include the date of publishing the announcement and that of the meeting is convened.

The quorum required by class meeting (adjourned meeting excluded) convened for the purpose of any class equity right must be at least one-third of the holders of issued shares of such class.

Article 113 Notices of class meetings need only be served on shareholders entitled to vote thereat.

Class meetings shall be conducted in a manner as similar as possible to that of general meetings. Provisions in the Articles of Association concerning the procedure for convening of general meetings also apply to class meetings.

Article 114 Apart from holders of other classes of shares, holders of domestic shares and overseas-listed foreign shares are deemed as shareholders of different classes.

Special voting procedures for class shareholders shall not apply in the following circumstances:

(I) With the approval by special resolutions at a general meeting (acquired unconditioned authorization or restrained by all terms and conditions through resolution), the Company recognizes, distributes or issues domestic shares and overseas-listed foreign shares, at one or more occasions, the total number of shares not exceeding 20% of each of its existing issued and outstanding domestic shares and overseas-listed foreign shares in every 12 months;

(II) Where the Company's plan to issue domestic shares and overseas-listed foreign shares at the time of its establishment is carried out within 15 months from the date of approval of the securities regulatory authority under the State Council;

(III)

The Board of the Company shall establish the audit committee, and establish special committees such as the strategic committee, the nomination committee, the remuneration & evaluation committee, etc. Each special committee shall be accountable to the board of directors and perform the duties prescribed by these Articles of Association and the board of directors. Any proposals shall be submitted to the board of directors for consideration and approval. All member of the special committees shall be directors, among which, the majority of the members of the audit committee, the nomination committee, the remuneration & evaluation committee shall be independent directors who also convene the meeting of such committees. The convenor of the audit committee shall be an accounting professional.

Article 116 Directors shall be elected at general meetings for a term of three years, which is renewable upon re-election. The re-election term of independent directors shall not exceed six years.

The term of office of a director shall commence from the date of appointment until the expiry of the current session of the board of directors. If the term of office of a director expires but re-election is not made, the existing director shall continue to perform their duties in accordance with the laws, administrative regulations, departmental rules and the provisions of the Articles of Association until a new director is elected and assumes office.

Prior to the maturity of his term, a director shall not be removed without reason from his office by a general meeting. Subject to all relevant laws and administrative regulations and without prejudice to any potential claim which may be made under any contract, the shareholders' general meeting may by ordinary resolution remove any director before the expiration of his term of office.

If a director fails to attend meeting of the board of directors in person and fails to appoint any other director to attend on his behalf for two consecutive times, he shall be deemed to be unable to perform his duties, and the board of directors shall propose to the general meeting for replacement.

A director may resign prior to the expiry of his term of service. When a director intends to resign, he shall submit a written resignation to the board of directors. The independent directors shall explain their resignation or the situations that may cause the attention of the Company's shareholders and creditors at their discretion. Where the resignation of a director results in the number of directors falls below the minimum number prescribed in the regulations of the Company Law or two-thirds of the number as prescribed in the Articles of Association, or the independent directors fall below the number as prescribed in the Articles of Association, the resignation of such director shall come into effect only upon filling the vacancy by the succeeding director. Where the board of directors fails to convene a general meeting for the purpose of re-election within two months after resignation of an independent director, such independent director shall not have further obligation to perform his duties.

Without violation of relevant laws and regulations and the regulatory rules of the place where the Company is listed, any director appointed to fill a casual vacancy or as an addition to the board of directors should hold office only until the next following annual general meeting of the Company and should then be eligible for re-election at the meeting.

Except under the aforesaid circumstances, the resignation of a director shall become effective when the report of resignation is served on the board of directors.

The chairman shall be elected and removed by more than half of all the directors, shall serve a term of three years and is eligible for re-election.

Article 117 The directors shall be natural persons and need not hold shares of the Company.

Article 118 The board of directors shall be accountable to the general meeting and exercise the following functions and powers:

(XIII) To decide on the structure of the special committees of the board of directors and to recruit and dismiss the person-in-charge of the committees;

(XIV) To propose the candidates of independent directors to the general meeting and suggest removal and replacement of independent directors;

(XV) To suggest appointment, renewal or dismissal of the accounting firm to the general meeting;

(XVI) To receive the work report of the president and examine his work;

(XVII) To manage matters in respect of disclosure of the Company's information;

(XVIII) To formulate the equity incentive plan;

(XIX) The board of directors shall exercise the decision-making authority on foreign investment (including capital increase and equity transfer of the investment enterprises), financing, venture investment, entrust financing and external guarantee other than those to be determined by resolution of the general meeting in accordance with the laws and regulations and the Articles of Association;

(XX) A single donation involving over RMB20 million but not more than RMB50 milliouarantee other than thosinIsolp heal me18f0.02 Tw 2.366an RMB50in accordance with the

If the uninterested directors who attend the meeting are less than three, the board of directors shall timely submit the relevant proposals to the shareholders' meeting for approval. The board of directors shall state the relevant situation of approval of such proposal when submitting and recording the opinion of the uninterested directors.

Article 119 The board of directors shall explain to the general meeting any non-standard audit opinions issued by the registered accountant on the Company's financial statements.

Article 120 The board of directors shall formulate the Rules of Procedures of the Board in order to ensure that the board of directors can implement resolutions approved at the general meeting of shareholders, improve working efficiency and carry out scientific decision-making.

Article 121 The independent directors shall attend the meeting of the board of directors in a timely manner; understand the Company's production and business situation; actively investigate and access to information and data needed to make decisions; submit the annual report of all independent directors to the Company's annual general meeting and explain the performance of their duties.

Article 122 The Company shall establish the working system of independent directors. The secretary to the board of directors shall actively cooperate with the independent directors to perform his duties. The Company should guarantee that the independent directors shall enjoy the same right of information; provide relevant materials and information to the independent directors in a timely manner; regularly report the Company's business operation to the independent directors and organize on-site inspection for them when necessary.

Article 123 The independent directors shall also exercise the following special powers in addition to the functions and power as prescribed in the Company Law, other relevant laws, administrative regulations and as granted in the Articles of Association.

(I) All major related party transaction (as determined in accordance with the effective rules issued by the stock exchange where the Company's shares are listed from time to time) subject to approval by the board of directors or general meeting shall be submitted to the board of directors for discussion after approval by the independent directors. When the board of directors makes any resolution on the Company's related party transactions, such resolution shall enter into force upon signature by the independent directors. Prior to making judgment by the independent directors, an intermediary institution shall be appointed to issue independent financial consultant report as the basis for judgment;

(II) To propose appointment or dismissal of the accounting firm to the board of directors;

(III) To submit an application to the board of directors for holding an extraordinary general meeting;

(IV) To propose the convening of meeting of the board of directors;

(V) To publicly solicit proxies from shareholders before general meetings;

(VI) To independently retain external auditing and consulting institutions to audit or to be advised on specific matters concerning the Company.

When the independent directors exercise the functions and powers as prescribed in paragraph (I) and (II) of this Article, the matter shall be submitted to the board of directors for discussion only upon consent by more than half of the independent directors; for paragraph (I) to (V), it shall be approved by more than half of all independent directors; and for paragraph (VI), it shall be approved by all independent directors. All fees arising from exercising the aforesaid functions and powers by the independent directors shall be borne by the Company. If the above mentioned proposals are refused or the functions and powers are unable to be exercised, the Company shall disclose the information concerned.

The independent directors shall present one of the following comments on the aforesaid issues in writing:

(1) Consent;

(2) Reservation and reasons thereof;

(3) Objection and reasons thereof;

(4) Inability to make comments and reasons thereof.

If some of the issues shall be disclosed, the Company shall announce the opinions of the independent directors. Where consensus opinion cannot be obtained, the Company shall disclose the opinion of each independent director respectively.

Article 125 The board of directors shall not dispose of or agree to dispose of any fixed assets without approval by the general meeting if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within four months before such proposal to dispose of the fixed assets exceeds 33% of the value of the fixed assets as shown on the latest audited balance sheet considered and approved by the general meeting.

Disposals of the fixed assets mentioned herein include transfer of certain asset interests, but do not include guarantee provided by pledge of fixed assets.

The effectiveness of the Company's disposal of the fixed assets shall not be affected by any breach of the foregoing provisions in Paragraph 1 herein.

Article 126 The chairman of the board of directors shall exercise the following functions and powers:

(I) To preside over general meetings and to convene and preside over meetings of the board of directors;

(II) To examine the implementation of the resolutions of the board of directors;

(III) To sign the share certificates issued by the Company;

(IV) To exercise other functions and powers conferred by the board of directors.

The vice chairman shall assist the chairman's work, if the chairman is unable or fails to perform his duties, the vice chairman shall perform the duties on his behalf, if the vice chairman is unable or fails to perform his duties, such duties shall be performed by a director who is nominated and elected by more than half of the directors.

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Article 127 Regular meetings of the board of directors shall be held at least four times a year at approximately quarterly intervals and shall be convened by the chairman. Notice of the regular meeting of the board of directors shall be given at least 14 days in advance. It is expected that each regular meeting of the board of directors shall have a majority of directors who are entitled to attend the meeting attending in person, or participate actively through electronic communication methods.

An extraordinary meeting of the board of directors may be held within five days after receipt of the proposal, if it is:

(I) Proposed by shareholders representing more than 10% of the voting rights;

(II) Jointly proposed by more than one-third of the directors;

(III) Deemed necessary by the chairman of the board of directors;

(IV) Jointly proposed by more than two independent directors;

(V) Proposed by the board of supervisors;

(VI) Proposed by the president.

A reasonable notice shall be given when the board of directors convenes other meetings of the board of directors.

Article 128 The board of directors shall send notice of regular or extraordinary meeting by:

Notice of regular meeting of the board of directors shall be given at least 14 days in advance and that of an extraordinary meeting shall be given at least five days in advance to all directors, supervisors and president. The office of the board of directors is responsible for issuance of the written notice of meeting bearing with the seal of the office to all directors, supervisors and president by hand, via, fax, email or other modes. All notices sent other than by hand shall be confirmed by telephone and the corresponding records shall be kept.

Where an extraordinary meeting of the board of directors shall be convened as soon as possible in emergency, the notice of meeting may be sent by telephone or by other verbal means at any time, but the convener shall make explanations thereof at the meeting.

Article 129 Unless otherwise regulated by the Listing Rules or these Articles of Association, meetings of the board of directors shall be held only if more than half of the directors (including alternate directors attending the meeting on behalf of others) are present.

Each director shall have one vote. Unless otherwise provided in the Articles of Association, a resolution of the board of directors must be passed by a majority of the directors of the Company.

Where there is an equality of votes cast both for and against a resolution, the chairman of the board of directors shall have a casting vote.

(V) any contract or arrangement in which the director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in the shares or debentures or other securities of the Company.

If less than three directors are able to resolve on such matter, the matter shall be submitted to the general meeting for voting.

Article 132 The decisions on the matters considered at meeting of the board of directors shall be recorded as minutes, which shall be signed by the attending directors and recorder. Minutes of the board meeting shall be kept as Company documents for ten years. The minutes of the board meeting shall include the following:

(I) date, venue and convener of the meeting;

(II) names of directors and representatives authorized by the directors (representative) present at the meeting;

(III) agenda of the meeting;

(IV) summary of key points made by the directors at the meeting;

(V) the voting methods and the voting results on each matter (the voting result shall clearly state the number of votes for, against and abstain).

The directors shall be responsible for the resolutions passed at meetings of the board of directors. Any director who votes for a resolution which is in breach of the relevant laws, administrative regulations or the Articles of Association, thereby causing serious losses to the Company shall be liable for compensation. A director who has been proved as having expressed dissenting opinion on the resolution and such opinion is recorded in the minutes of the meeting can be exempt from liability.

Chapter 11 Secretary to the Board of Directors

Article 133 The Company shall have a secretary to the board of directors of directors, who is a senior executive of the Company and shall be accountable to the Company and its board of directors.

Article 134 The secretary to the Company's board of directors shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board of directors. The major duties of the secretary shall be:

(I) To ensure that the Company has complete organization documents and records;

(II) To ensure the lawful preparation and submission by the Company of reports and documents as required by relevant authorities;

(III) To ensure that the shareholders' register of the Company is properly maintained and that the persons who have the right of access to the relevant documents and records of the Company can obtain the same in due time.

Article 135 A director or other senior management of the Company may serve concurrently as secretary to the board of directors. Any accountant of the accounting firm engaged by the Company shall not act in the capacity of the secretary to the board of directors.

In the event a director also acts in the capacity of the secretary to the board of directors, where any act requires to be made by the director and the secretary to the board of directors separately, such director who also acts in the capacity of the secretary to the board of directors shall not make such actions in both capacities.

Chapter 12 President of the Company

Article 136 The Company shall have one president, who shall be nominated by the directors and appointed and dismissed by the board of directors. The Company shall have four deputy presidents, including an executive deputy president. The deputy presidents shall be appointed or dismissed by the board of directors after being nominated by the president.

Article 137 The president of the Company shall be accountable to the board of directors and exercise the following functions and powers:

(I) To manage the production and business operations of the Company and arrange for the implementation of the resolutions of the board of directors;

(II) To arrange for the implementation of the Company's annual business plans and investment plans;

(III) To formulate proposals for the establishment of the Company's internal management organs;

(IV) To formulate plans for the setup of the Company's branches;

(V) To formulate the fundamental management system of the Company;

(VI) To formulate the Company's specific rules and regulations;

(VII) To propose to appoint or dismiss the deputy president(s), chief financial officer and other senior management of the Company;

(VIII) To appoint or dismiss executives other than those appointed or dismissed by the board of directors;

(IX) To formulate system for employees' wages, welfare and rewards and determine their recruitment and dismissal;

(X) To propose for the convening of extraordinary meeting of the board of directors;

(XI) To exercise other functions and powers conferred in the Articles of Association and by the board of directors.

Article 138 The president shall be present at meetings of the board of directors, senior management who are not directors shall also be present at meetings of the board of directors and shall have the right to receive the meeting notice and relevant documents; but they have no right to vote at the meetings of the board of directors.

Article 139 In exercising his functions and powers, the president of the Company shall fulfill the obligation of honesty and diligence in accordance with the laws, administrative regulations and the Articles of Association and shall not change the resolutions made by the shareholder meeting and the board of directors or act beyond the scope of authorization.

Chapter 13 Board of Supervisors

Article 140 The Company shall have the board of supervisors.

Article 141 The board of supervisors shall comprise five members, including a chairman. The term of office of a supervisor shall be three years, and is eligible for reelection.

The chairman shall be appointed or removed by votes of more than two-thirds of the members of the board of supervisors.

Article 142 The members of the board of supervisors shall comprise three shareholder representatives and two employee representatives. The shareholder representatives shall be elected and removed by the shareholders' meeting; and the employee representatives shall be elected and removed by the employees of the Company democratically.

Article 143 A director, the president, the secretary to the board of directors, chief financial officer and other senior management shall not serve as supervisors concurrently.

Regular meetings of the board of supervisors shall be held at least once every six

Article 144 the board of supervisors shall be accountable to the general meeting and shall exercise the following powers according to the laws:

(I) To examine the periodic reports of the company prepared by the board of directors and produce written examination opinions thereon;

(II) To review the financial operations of the Company;

(III) To supervise the performance of directors, president and other senior management of their duties to the Company, and propose dismissal of directors and senior management who have violated the laws, administrative regulations, the Articles of Association or the resolutions of general meetings;

(IV) To demand redress from the Company's directors, president and senior management should their acts be deemed harmful to the Company's interests;

(V) To propose the convening of extraordinary general meetings and, in case the board of directors does not perform the obligations to convene and preside over the general meetings;

(VI) To propose motions to the general meeting;

(VII) To propose the convening of extraordinary meeting of the board of directors;

(VIII) To coordinate with directors and senior management on behalf of the Company or bring legal proceedings against the Company's directors and senior management;

(IX) To conduct investigation if there are any unusual circumstances in the Company's operations, and if necessary, to engage an accounting firm, law firm or other professionals to assist in their work at the expense of the Company;

(X) Other functions and powers specified in the Articles of Association.

The supervisors may attend meetings of the board of directors and make inquiries or suggestions in relation to the resolutions of meetings of the board of directors.

Article 145 The supervisors shall ensure that the information disclosed shall be true, accurate and complete, and sig an -8.45 -1.82c i1())-1for regular reports.

Article 146 The voting procedures of the board of supervisors: each supervisor shall have one vote1for resolutions to be approved by the board of supervisors in registered form in -8.4ing.

The voting procedures are: The voting intention of each supervisor1for a resolution shall be "for", "against" or "abstain". The attending supervisor1at the meeting shall choose

The resolution of the board of supervisors shall be passed by the votes of two-thirds or more of all members of the board of supervisors.

Article 147 The board of supervisors shall have the business conducted at the meeting to be recorded in the minutes of meeting, and attending supervisors and the recorder shall sign on the minutes of meeting.

Supervisors can request to have the speech they make in the meeting recorded in the minutes. The meeting minutes of the board of supervisors shall be kept as a file of the Company for ten years.

Article 148 All reasonable fees incurred for retaining of such professionals as lawyers, registered accountants or practicing auditors by the board of supervisors in the exercise of its functions and powers shall be borne by the Company.

Article 149 Supervisors shall honestly fulfill the supervisory duty in accordance with the laws, administrative regulations and the Articles of Association.

Chapter 14 Qualifications and Duties of Directors, Supervisors, President and Other Senior Management of the Company

Article 150 A person may not serve as a director, supervisor, president and other senior management of the Company if any of the following circumstances apply:

(I) a person without legal or with restricted legal capacity;

(II) a person who has been found guilty of sentenced for corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order where less than a term of 5 years have elapsed since the sentence was served; or a person who has been deprived of his political rights, in each case where less than 5 years have elapsed since the sentence was served;

(III) a person who is a former director, factory manager or general manager of a company or enterprise which has been entered into insolvent liquidation because of mismanagement and he is personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;

(IV) a person who is a former legal representative of a company or enterprise which had its business licence revoked due to a violation of the law and who incurred personal liability, where less than 3 years has elapsed since the date of the revocation of the business licence;

(V) a person who has a relatively large amount of debts due and outstanding;

(VI) a person who is under criminal investigation by judicial organization for the violation of the criminal law which is not yet concluded;

(VII) a person who is not a natural person;

(VIII) a person convicted of the contravention of provisions of relevant securities regulations by a relevant government authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than 5 years has elapsed since the date of the conviction;

(IX) other circumstances as prescribed in laws, administrative regulations or departmental rules.

Article 151 The independent directors shall comply with the following basic conditions:

(I) Qualifications serving as a director of a listed company as stipulated by laws, administrative regulations and other relevant regulations;

(II) Independence as required;

(III) Fundamental knowledge on operation of a listed company as well as mastery of relevant laws, administrative regulations, rules and stipulations;

(IV) More than five-years' working experience in law, economic or other fields deemed necessary for qualified performance as an independent director;

(V) Relevant requirements for independent director as prescribed by the Listing Rules of the Stock Exchange and the Listing Rules of SSE;

(VI) Other conditions as prescribed by the Articles of Association.

The independence of an independent director means that the following persons shall not assume the office of independent director, including:

(I) A person who holds a position in the Company or its affiliated enterprises, and direct relatives and has major social relations with such person (direct relatives refer to their spouse, father, mother and children etc.; major social relations refer to their brothers, sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, spouse of their brothers, sisters, and their spouse's brothers and sisters etc.);

(II) A person directly or indirectly holds more than 1% of the outstanding shares of the Company or is a natural person shareholder among the 10 largest shareholders of the Company, or such shareholder's direct relative;

(III) A person directly or indirectly holds a position in a company which holds more than 5% of the outstanding shares of the Company or of an entity which ranks as one of the 5 largest shareholders of the Company, or such employee's direct relative;

(IV) A person that was under the circumstances listed above in the previous year;

(V) A person who provides financial, legal or consulting services for the Company or its subsidiaries;

(VI) A person who is an independent director serving five listed companies;

(VII) A person who cannot act as independent director according to the securities regulatory authority under the State Council.

Article 152 The validity of an act of a director, the president or other senior management on behalf of the Company for a bona fide third party is not affected by any incompliance in the appointment, election or qualification thereof.

Article 153 In exercising the powers conferred by the Company, directors, supervisors, the president and other senior management of the Company shall fulfill the following obligations to each shareholder in addition to the obligations under the laws, administrative regulations, the Listing Rules of the Stock Exchange or the Listing Rules of SSE on which the shares of the Company are listed:

(I) Not to let the Company operate beyond the business scope specified in its business license;

(II) To sincerely act in the best interest of the Company;

(III) Not to seize from the Company the property in any form, including (but not limited to) opportunity favorable to the Company;

(IV) Not to seize from any shareholder any personal interests, including (but not limited to) right to profit distribution and right to vote, but excluding corporate reorganization submitted for adoption at the general meeting pursuant to the Articles of Association.

Article 154 In exercising rights or fulfilling obligations, the directors, supervisors, the president and other senior management of the Company have the duty to act with due care, diligence and skill as a reasonably prudent person should do in similar circumstances.

Article 155 In fulfilling duties, directors, supervisors, president and other senior management of the Company shall observe the principle of honesty and shall not place themselves in a position where their own interests may conflict with their obligations. The principle includes (but is not limited to) the following obligations:

(I) To sincerely act in the best interest of the Company;

(II) To exercise their powers within their terms of reference and not to act beyond such powers;

(III) To exercise personally the discretion vested in them and not to allow themselves to be manipulated by others and, save as permitted by laws, administrative regulations or the Listing Rules or with the informed consent of shareholders at a general meeting, not to delegate the exercise of their discretion to others;

(IV) To treat shareholders of the same class equally and shareholders of diffes Bs

Gains derived by any director, president, vice president and other senior management in violation of this Article shall be belong to the Company; the relevant executive shall indemnify the Company for its losses caused by such violation.

Article 156 Directors, supervisors, president and other senior management of the Company shall not cause the following persons or institutions ("connected persons") to do anything that the directors, supervisors, president and other senior management is prohibited to do:

(I) Spouses or minor children of directors, supervisors, president and other senior management of the Company;

(II) Trustees of directors, supervisors, president and other senior management of the Company or persons set out in (I) herein;

(III) Partners of directors, supervisors, president and other senior management of the Company or persons set out in (I) and (II) herein;

(IV) Companies over which a director, supervisor, president and other senior management of the Company, alone or jointly with any person set out to in (I), (II) and (III) herein or any other directors, supervisors, president and other senior management of the Company have de facto control;

(V) Directors, supervisors, president and other senior management of the companies as set out in (IV) herein.

Article 157 The honesty obligation of directors, supervisors, president and other senior management of the Company shall not necessarily end with the expiry of their terms of office, and their confidentiality obligation to the Company in respect of trade secrets shall continue after expiry of their terms of office. Other obligations may continue for such period as the principle of fairness may require depending on the amount of time which has lapsed between the termination and the act concerned and the specific circumstances under which the relationship between the Company and them was terminated.

Article 158 The liability of directors, supervisors, president and other senior management of the Company for breaching a given obligation may be released by the informed consent of shareholders at a general meeting, save for the circumstances specified in Article 60 of the Articles of Association.

A director shall not vote on any resolution of the board of directors which approves the contract, transaction or arrangement or any other relevant proposals where he or his associate (as defined in the Listing Rules of the Stock Exchange) has a material interest; and shall not be included into the quorum of the meeting.

Unless the directors, supervisors, president and other senior management of the Company having material interests have disclosed to the board of directors as per aforesaid paragraph herein, and the said transaction is approved at the meeting of the board of directors at which they are not included into the quorum and do not vote, the Company shall have the right to cancel the said contract, transaction or arrangement, except as against a bona fide party thereto who does not have notice of the breach of duty by the relevant directors, supervisors, presidents and other senior management.

If the connected persons or associates of the directors, supervisors, president and other senior management of the Company have any interests in a given contract, transaction or arrangement, the said directors, supervisors, president and other senior management shall also be deemed as having interests.

Article 160 If, before the Company concludes relevant contract, transaction or arrangement for the first time, the directors, supervisors, president and other senior management of the Company have notified the board of directors in writing that they will have interests in the contract, transaction or arrangement concluded by the Company in the future because of the reasons set out in the notice, they shall be deemed as having executed disclosure as specified in the preceding paragraph of this chapter to the extent specified in the notice.

Article 161 The Company shall not pay taxes in any form for its directors, supervisors, president and other senior management.

Article 162 The Company shall not directly or indirectly provide loan or loan guarantee to the directors, supervisors, president and other senior management of the Company or its parent company, or to the connected persons of the aforesaid persons.

The preceding paragraph does not apply to the following circumstances:

(I) The Company provides loan or loan guarantee for its subsidiaries;

(II) The Company, in accordance with the engagement contracts approved at the general meeting, provides loan, loan guarantee or other monies to the directors, supervisors, president and other senior management of the Company so that they may pay the expenses incurred for the Company or for fulfilling their duties for the Company;

(III) If the normal business scope of the Company includes provision of loan and loan guarantee, the Company may provide loan and loan guarantee to relevant directors, supervisors, president and other senior management and their connected persons, but the conditions for providing loan or loan guarantee shall be normal commercial conditions.

Article 163 If the Company provides loan in violation of the preceding article, the recipient of the loan shall repay the same immediately to the Company regardless of the conditions of the loan.

Article 164 A loan guarantee provided by the Company in violation of Paragraph 1 of Article 162 shall not be enforceable except in the following circumstances:

(I) The lender does not know that it has provided loan to the connected persons of the directors, supervisors, president and other senior management of the Company or its parent company;

(II) The collateral provided by the Company has been sold by the lender lawfully to a bona fide purchaser.

Article 165 The guarantee as referred to in the preceding articles of this Chapter includes the act of the guarantor to undertake the responsibility or provide property to ensure that the obligor fulfils the obligations.

Article 166 If the directors, supervisors, president or other senior management fail to fulfill the obligations to the Company, the Company shall have the right to take the following actions in addition to the rights and remedial measures under the relevant laws and administrative regulations:

Article 167 The Company shall conclude written contracts with its directors and supervisors in relation to their remunerations, subject to prior approval at a general meeting. The aforesaid remunerations include:

(I) Remunerations as directors, supervisors or senior management of the Company;

(II) Remunerations as directors, supervisors or senior management of subsidiaries of the Company;

(III) Remunerations for providing other services in connection with the management of the Company and its subsidiaries;

(IV) Compensations for the said directors or supervisors for lost of office or for retirement.

Save as pursuant to the aforesaid contracts, the directors or supervisors shall not pursue legal action against the Company for anything due to them in respect of the aforesaid matters.

The above mentioned written contract shall cover at least the following matters:

(I) Directors, supervisors or senior management shall undertake to the Company to observe Company Law, Special Provisions, the Articles of Association, and Code on Takeovers and Mergers and Code on Share Repurchase and other requirements of the Hong Kong Stock Exchange, and agree that the Company is entitled to remedial measures under the Articles of Association and that the said contracts and their positions as director, supervisor or senior executive shall not be transferred;

(II) Directors, supervisors or senior management shall undertake to the Company to fulfill their due obligations for the shareholders as specified in the Articles of Association; and

(III) Arbitration clauses specified in Chapter 21 of the Articles of Association.

Article 168 The Company shall specify in the contracts concluded with the directors or supervisors in relation to remunerations that if the Company is being taken over, the directors or supervisors of the Company have the right to seek compensations or other payment for lost of office or for retirement, subject to prior approved at the general meeting. The aforesaid takeover of the Company includes any of the following:

(I) An offer made by any person to all the shareholders;

(II) An offer made by any person with the aim of causing the offeror to become a controlling shareholder of the Company. The definition of a controlling shareholder is the same as that in Article 61 of the Articles of Association.

Any monies received by the relevant directors or supervisors in violation of this Article shall belong to those who accept the said offer and sell their shares, and the said directors or supervisors shall bear the expenso(xs rnistributiong(the said monies inpropoArton, which)024 ( )]TJ0.0 shalluoseRenminbi asy the rcordiongcurrency, and(theaccountrs shals)25 ( )]TJ5 Tw--2.362 -1.25 Td(b p oe directors oetthe
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Article 174 The interim results or financial data announced or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations as well as the international accounting standards or the accounting standards of the overseas listing place.

Article 175 The Company shall release the annual results announcement within three months after the end of a fiscal year and release the interim results announcement within two months after the end of the first six months of each fiscal year; publish annual report within four months after the end of a fiscal year, and publish interim report within three months after the end of the first six months of each fiscal year.

Article 176 The Company shall not establish account books other than the statutory account books.

Article 177 When the Company distributes its after-tax profits of the current year, it shall withdraw 10% of the profits as its statutory common reserve fund. Such allocation may be stopped when the statutory common reserve fund of the Company has accumulated to over 50% of the registered capital of the Company.

If the statutory common reserve fund is insufficient to make up for the losses of the preceding year, the profits of the current year shall first be used to make up for the said losses before any statutory common reserve fund is withdrawn as per the preceding paragraph.

After statutory common reserve fund is withdrawn out of the after-tax profits, discretionary common reserve fund may also be withdrawn out of the same as per a resolution made at a general meeting.

After the Company has made up its losses and made allocations to its statutory reserve fund, the remaining profits are distributed in proportion to the number of shares held by the shareholders.

If the shareholders' general meeting violates the above provisions by distributing profits to the shareholders before the Company makes up losses and allocates funds to the statutory reserves, then the profits so distributed must be returned to the Company by the shareholders.

The shares of the Company held by the Company shall not participate in to profit distribution.

Article 178 Capital reserve includes the following:

(I) Premium arising from issue above the par value of shares;

Article 179

(IV) The Company distributes its distributable profits (being the after-tax profit after the Company makes up the loss and withdraws the common reserve funds) on an annual basis. According to the profitability, the Company may distribute interim cash dividend which does not need to be audited.

(V) The Company should actively distribute the profit in cash. The profit distributed in form of cash annually shall not be less than 20% of the distributable profits realized in that year. For cash-based distribution, the Company must consider whether its cash is able to meet the needs of the Company's normal operation and long-term development after such distribution in order to ensure that the distribution plan is in the interest of shareholders as a whole:

(1) Where the Company is in a developed stage with no significant capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 80% of the total profit distribution;

(2) Where the Company is in a developed stage with significant capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 40% of the total profit distribution;

(3) Where the Company is in a developing stage with significant capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 20% of the total profit distribution.

In the case that it is difficult to distinguish the Company's stage of development but the Company has significant capital expenditure arrangements, the profit distribution may be dealt with pursuant to the preceding provisions.

The proportion of cash dividends in the profit distribution shall be cash dividends divided by the sum of cash dividends and share dividends.

Under special circumstances, if the profit distribution plan for the current year may not be determined according to the established cash dividend policy or the minimum cash dividend ratio, the Company shall disclose the specific reasons and clear opinions of independent directors in regular report. If the stock exchange where the Company's shares are listed has special provisions on the voting system and mode of the shareholders' general meeting approving such profit distribution plan, such provisions shall be complied with.

(VI) If there is any distributable profit remaining after cash-based distribution is made and the board of directors considers that stock-based distribution may meet the

(VII) If the Company recorded profits in last fiscal year but the board of directors did not propose cash profit distribution plan after the end of last fiscal year, explanation shall be made in regular report on the reasons not distributing profit and the usages of the profits not distributed and retained by the Company. The independent directors shall give independent opinions on this.

(VIII) The Company shall explain in detail in the annual report of the formulation and implementation of the cash dividend policy.

(IX) If the profit distribution policy is adjusted by the Company according to the external business environment or its own operating conditions, the adjusted policy shall not violate the relevant provisions released by the CSRC and the stock exchange; the proposal in respect of policy adjustment must be approved by the Company's board of directors and the Company's board of directors shall give independent opinions on this.

For receiving of dividends by shareholders, provided that the relevant regulations of stock exchange are observed, the Company may exercise the right to seize dividends not collected, but the said right shall not be exercised before expiry of the applicable validity period.

The Company shall have the right to stop sending dividend warrants by post to a holder of overseas-listed foreign shares when the dividend warrants are not cashed for two consecutive times. However, the Company may also exercise such right when the dividend warrants are returned after they are sent to the addressee for the first time.

The Company shall have the right to sell the shares of the holders of overseas-listed foreign shares who cannot be reached under the following conditions, provided it is permitted by laws and regulations:

(I) Dividends have been distributed for the said shares for at least three times in 12 years, but are not claimed in the said period; and

(II) Upon expiry of the 12-year period, the Company shall announce its intent to sell the shares in newspaper(s), and notify the stock exchange on which the said shares are listed.

Chapter 16 Appointment of Accounting Firm

Article 185 The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of the State to audit the annual financial reports and other financial reports of the Company. For the purpose of this Articles of Association, the certified public accountants entrusted by the Company at any time shall act as the accountant.

The Company's first accounting firm shall be appointed at the inaugural meeting prior to the first annual general meeting the accounting firm so appointed shall hold office until the conclusion of the first annual general meeting.

If the inaugural meeting does not exercise the powers under the preceding paragraph, those powers shall be exercised by the board of directors.

Article 186 The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting at which they were appointed until the conclusion of the next annual general meeting.

Article 187 The accounting firm appointed by the Company shall have the following rights:

(I) To access the account books, records or vouchers of the Company at any time, and to ask directors, president or other senior management to provide relevant documents and explanations;

(II) To ask the Company to take all reasonable actions possible to obtain documents and explanations from its subsidiaries needed for the performance of their duties;

(III) To be present at general meetings, receive notice of general meeting that any shareholder has the right to receive or other information relating to general meetings, and deliver speeches at any general meeting in relation to the matters concerning its role as the Company's accounting firm.

Article 188 In the event of vacancy of accounting firm, the board of directors may appoint an accounting firm to fill the said vacancy before convening of a general meeting. During duration of the said vacancy, if the Company has any incumbent accounting firm, the said accounting firm may continue to act.

Article 189 Regardless of the terms in the contract concluded between the accounting firm and the Company, the general meeting may, through an ordinary resolution, dismiss the said accounting firm before expiry of the term thereof. In the event of any rights claimed by the accounting firm against the Company, the said rights shall not be affected.

Article 190 The remunerations of the accounting firm or the method for determining the same shall be subject to the decision of the general meeting. The remunerations of the accounting firm appointed by the board of directors shall be determined by the board of directors.

Article 191 Appointment, dismissal or non-reappointment of accounting firm by the Company shall be subject to decision at the general meeting and shall be filed with the securities regulatory authority under the State Council.

The general meeting shall comply with the following provisions in passing a resolution to appoint a non-incumbent accounting firm to fill any vacancy of an accounting firm or reappoint an accounting firm appointed by the board of directors to fill the vacancy or dismiss an incumbent accounting firm before the expiry of its term:

(I) The proposal for appointment or dismissal shall, before the notice of general meeting is sent, be served to the accounting firm to be appointed or which proposed to terminate or having terminated service in the relevant fiscal year. Termination of service shall include dismissal, resignation or retirement.

(II) If the accounting firm about to terminate service make a written statement and request the Company to notify the shareholders of the said statement, the Company shall take the following actions unless the statement is received too late:

1. Describe in the notice issued for the resolution that the accounting firm about to terminate service have made a statement;

2. Send to the shareholders entitled to receive the notice of general meetings a copy of the statement as an attachment to the notice in the form specified in the Articles of Association.

(III) If the Company fails to send out the statement of the accounting firm as per (II) herein, the relevant accounting firm may require that the said statement be read at the general meeting and may further lodge a complaint.

(IV) The accounting firm about to terminate service have the right to attend the following meetings:

1. The general meeting at which their term of appointment expires;

2. The general meeting for filling vacancy because of their termination of service;

3. The general meeting held because of their resignation.

The accounting firm about to terminate service have the right to receive all the notices of the aforesaid meetings or other information relating to the meetings, and deliver speeches at the meetings in relation to the matters concerning its role as the Company's former accounting firm.

Article 192 Where the Company dismisses or does not reappoint an accounting firm, a notice shall be given to the accounting firm 15 days in advance, and the accounting firm shall have the right to state their opinions to the general meeting. Where an accounting firm tenders its resignation, it shall state to the general meeting whether the Company has anything inappropriate.

An accounting firm may resign by placing a written notice of resignation at the legal address of the Company. The said notice shall take effect on the date of delivery to the legal address of the Company or on a later date specified in the notice. The said notice shall include the following statements:

1. A statement that its resignation does not involve any information to be disclosed to the shareholders or creditors of the Company; or

2. A statement of any such information to be disclosed.

Chapter 17 Merger and Division of the Company

Article 193 In respect of the merger or division of the Company, the board of directors shall propose a plan and have it adopted following the procedures specified in the Articles of Association, and go through relevant examination and approval formalities pursuant to law. Any shareholder objecting to merger or division of the Company shall have the right to require the Company or the shareholders approving merger or division of the Company to buy his shares at a fair price. Resolution on merger or division of the Company shall be archived as special document for made available for shareholders' inspection.

The aforesaid document shall also be served by post to holders of overseas-listed foreign shares.

Article 194 Merger of the Company may be in two forms: merger by absorption and merger by consolidation.

In the event of merger of the Company, the parties concerned shall conclude a merger agreement and prepare the balance sheet and the property inventory. The Company shall notify all creditors within 10 days after adoption of the merger resolution and shall make announcements in newspapers within 30 days. Creditors should, within 30 days of being notified, or if they do not receive the notice, then within 45 days of the public announcement, request the Company to pay off its debts or provide corresponding guarantees.

The creditor's rights and debts of the parties concerned after merger of the Company shall be inherited by the company subsisting after merger or by the newly established company.

Article 195 Where the Company is divided, its properties shall be divided accordingly.

In the event of division of the Company, the parties concerned shall conclude a division agreement and prepare balance sheet and property inventory. The Company shall notify all creditors within 10 days after adoption of the division resolution and shall make announcements in newspapers within 30 days.

The companies after division shall bear joint liability for the debts of the Company before division. However, if before the division the Company and its creditors have entered into a written contract concerning the repayment of debts, then the former provision does not apply.

Article 196 Change to registered particulars arising from a merger or division of the Company shall be registered with the company registration authority according to law. If the Company is dissolved, a cancellation of its registration shall be effected according to law. If a new company is established, registration of such establishment shall be established and registered according to law.

Article 200 If the board of directors decides to liquidate the Company (save for liquidation when the Company is declared bankrupt), the notice of general meeting to be held therefor shall contain a statement that the board of directors has made a thorough investigation on the conditions of the Company and that the Company may repay all its debts within 12 months after commencement of liquidation.

After the resolution on liquidation is adopted at the general meeting, the functions and powers of the board of directors shall terminate immediately.

The liquidation committee shall, as per the instructions of the general meeting, report to the general meeting at least once a year about the revenues and expenses of the liquidation committee, the businesses of the Company and the progress of liquidation, and deliver a final report to the general meeting at the end of liquidation.

Article 201 The liquidation committee shall notify all creditors within 10 days after its establishment and shall make announcements in newspapers within 60 days. The creditors shall declare their creditor's rights to the liquidation committee within 30 days after receipt of the notice or within 45 days after announcement if the creditors have not received the notice.

To declare their creditor's rights, the creditors shall explain matters relating to their rights and provide relevant evidential documents. The liquidation committee shall register the creditor's rights according to law.

During the period of declaration, the liquidation committee shall not make repayment to creditors.

Article 202 During liquidation, the liquidation committee shall exercise the following functions and powers:

(I) To examine and take possession of the assets of the Company and prepare a balance sheet and a property inventory;

(II) To inform creditors by notice or announcement;

(III) To deal with the outstanding businesses of the Company relating to liquidation;

(IV) To pay off the outstanding taxes;

(V) To settle creditor's rights and debts;

(VI) To dispose of the remaining assets of the Company after repayment of debts;

(VII) To represent the Company in civil proceedings.

Article 203

Chapter 19 Procedures for Amendment of the Articles of Association

Article 208 The Company may amend the Articles of Association pursuant to the laws, administrative regulations, Listing Rules and the Articles of Association.

Article 209 The Company shall amend the Articles of Association, if:

(I) The matters as prescribed in the Articles of Association conflict with the amended laws and administrative regulations after amendment of the Company Law or the relevant laws and administrative regulations;

(II) The change of the Company's situation conflicts with the matters as prescribed in the Articles of Association;

(III) The shareholder's meeting makes resolution to amend the Articles of Association.

Article 210 The amendment of the Articles of Association shall follow the procedures as below:

(I) The board of directors draws up the amendment proposal in accordance with the Articles of Association;

(II) To notice the shareholders of the amendment proposal and convene shareholder's meeting for voting;

(III) To submit the amendment to be voted at the shareholder's meeting for passing as a special resolution.

The board of directors shall amend the Articles of Association in accordance with the resolution with respect to the amendment of the Articles of Association passed at the shareholder's meeting and the approval opinions issued by the competent authority concerned.

Article 211 If the amendment to the Articles of Association involves any content of Mandatory Provisions, the said amendment shall be subject to approval by the company examination and approval authority authorized by the State Council; if the amendment involves registration of the Company, the involved changes shall be registered pursuant to law.

Article 212 Where the amendments to the Articles of Association involve matters requiring disclosure by laws and regulations, the amendments shall be announced in accordance with regulations.

Chapter 20 Notices

Article 213 The notice of the Company, mailing and other written materials including but not limited to annual report, interim report, quarterly report, meeting notice, listing documents, shareholder circular, proxy form and temporary announcement may be served as follows:

(I) By personal delivery;

(II) By post;

(III) By fax or email;

(IV) By announcement on the website designated by the Company, the Hong Kong Stock Exchange and the SSE in accordance with the laws, administrative regulations, Listing Rules of the Stock Exchange and Listing Rules of SSE;

(V) By newspaper and other designated media;

(VI) By other means approved by the relevant securities regulatory authority at the location where the Company's shares are listed or stipulated in the Articles of Association.

Notwithstanding any other provisions contained in the Articles of Association in respect of the publishing or giving notice of any notices, communications or other written materials, the Company may choose to announce such corporate communications by means provided under (IV) of this Article in place of delivering written documents by hand or by prepaid post to each holder of overseas-listed foreign shares, subject to relevant requirements of the securities regulatory authority at the location where the shares of the Company are listed.

Article 214 In the event that the relevant regulations of the securities regulatory authority of the place where the Company's shares are listed requires such documents to be dispatched, mailed, distributed, issued, announced or by any other forms provided to the shareholders in both English and Chinese version, the Company may (in accordance with the preference of the shareholders concerned) dispatch only the English or the Chinese version to the shareholders concerned if the Company has made proper arrangements to confirm that the shareholders prefer to only receive either the English or the Chinese version and if such arrangements are within the scope and in accordance with the applicable laws and regulations.

Article 215 For notices of the Company delivered by hand, an acknowledgement of receipt shall be signed (or stamped) by the recipient and the date of delivery shall be the date on which the acknowledgement is signed; for notices delivered by post, the date of delivery shall be 48 hours from the delivery of the mail to the post office; for notices delivered by fax or email or announcement on a website, the date on which the notice is sent shall be deemed to the date of delivery, and the date indicated in the fax report shall be taken as the delivery date; in the case of notice delivered by way of public announcement, the date of the first announcement shall be deemed to be the date of delivery. Such announcements shall be published in newspapers or websites which meet the requirements of the relevant rules.

Any notices of the Company which are made in the form of a public announcement shall be deemed to have been received by all relevant persons once it is published.

Article 216 Notices of the shareholders' general meetings of the Company shall be made by announcement. Notice of the Board meetings and board of supervisors of the Company shall be made by hand, facsimile, telephone, email, or other forms.

Article 217 The Company shall designate media in the scope of media designated in laws, regulations or the securities regulatory authority of the State Council to issue announcements and other to-be-disclosed information of the Company to shareholders of domestic shares. The announcements required to be given by the Articles of Association to the holders of H shares shall be published by the methods prescribed by the Hong Kong Listing Rules.

The Board may change the designated media for the disclosure of information about the Company and shall ensure that such designated media complies with the requirements as required by the laws and regulations of China and Hong Kong, securities regulatory authorities under the State Council, overseas regulatory authorities and the stock exchange of the place where the shares of the Company are listed.

Chapter 21 Settlement of Disputes

Article 218 The Company shall settle disputes following the rules below:

(I) In the event of any dispute or claim between a holder of overseas-listed foreign shares and the Company, between a holder of overseas-listed foreign shares and a director, supervisor or president of the Company, and between a holder of overseas-listed foreign shares and a holder of domestic shares arising from rights and obligations specified in the Articles of Association, Company Law and other relevant laws and administrative regulations and relating to the affairs of the Company, the parties concerned shall submit the said dispute or claim for arbitration.

The aforesaid dispute or claim submitted for arbitration shall be the entire dispute or claim; all the persons who complain for the same reason or who are required to participate in the settlement of the dispute or claim shall accept the arbitration award if they are the Company or its shareholders, directors, supervisors, president or senior management.

Disputes relating to definition of shareholders and shareholders' register may be settled by means other than arbitration.

(II) The applicant for arbitration may select China International Economic and Trade Arbitration Commission for arbitration following the arbitration rules thereof or

Article 223 In the Articles of Association, references to "president" shall have the same meaning as "manager" as stipulated in the Company Law and other laws and regulations. References to "vice president" shall have the same meaning as "deputy manager" as stipulated in the Company Law and other laws and regulations.

Article 224 The Articles of Association shall be subject to the interpretation of the board of directors of the Company. Any matters not covered herein shall be approved at shareholders meeting through the board of directors.

Article 225 Should there be any inconsistency between the Articles of Association and relevant laws, administrative regulations, other relevant normative documents and the rules of the stock exchange on which the Company's shares are listed, the latter shall prevail.