

**Shanghai Zhida Technology Development Co., Ltd.**

**Articles of Association**

# Shanghai Zhida Technology Development Co., Ltd.

## Articles of Association

### Chapter 1 General Provisions

**Article 1** In order to safeguard the legitimate rights and interests of Shanghai Zhida Technology Development Co., Ltd. (the “**Company**”), its shareholders and creditors thereof, to regulate the organization and acts of the Company, these Articles of Association is formulated in accordance with provisions under the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China (the “**Securities Law**”), the Trial Measures on the Administration of Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), and other national laws and administrative regulations.

**Article 2** The Company is a joint stock limited liability company established in accordance with the Company Law and other relevant regulations. According to the provisions under the Company Law, the Company is established by means of promotion based on the conversion of Shanghai Zhida Technology Development Co., Ltd.\* (上海摯達科技發展股份有限公司) as a whole. The Company has been registered with and obtained business license from Shanghai Municipal Administration for Market Regulation, with unified social credit code of 91310110564841841X.

**Article 3** The registered name of the Company in Chinese: 上海摯達科技發展股份有限公司; English name: Shanghai Zhida Technology Development Co., Ltd.

**Article 4** Address of the Company: Room 1001-1, No. 127, Guotong Road, Yangpu District, Shanghai

Postal code: 200433

**Article 5** The registered capital of the Company is RMB59,788,807.

**Article 6** The Company is a permanently existing joint stock limited company.

**Article 7** The chairman of the Board of Directors of the Company shall be the legal representative of the Company.

**Article 8** All the assets of the Company are divided into shares of equal value. Shareholders are responsible for the Company to the extent of their subscribed shares, and the Company is responsible for the Company’s debts with all its assets.

**Article 9** From the effective date, these Articles of Association shall become a legally binding document regulating the organization and behavior of the Company, the rights and obligations between the Company and its shareholders, and between shareholders, and shall have legal binding force on the Company, shareholders, Directors, general manager, and other senior management. According to these Articles of Association, shareholders can sue other shareholders; shareholders can sue the Company’s Directors, general manager and other senior management; shareholders can sue the Company; and the Company can sue shareholders, Directors, general manager and other senior management.

**Article 10** Other senior management referred to in these Articles of Association include the general manager, president, chief operating officer, chief technology officer, chief human resources officer, chief financial officer, chief marketing officer, deputy general managers, financial controller and the secretary to the Board of Directors of the Company.

**Article 11** Any dispute between the Company, shareholders, Directors and senior management involved in these Articles shall be settled through negotiation first. If the negotiation fails, a lawsuit shall be instituted in the people's court.

**Article 12** The Company shall establish an organization of the Communist Party and carry out Party activities in accordance with the requirements of the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities of the Party organization.

## **Chapter 2 Objectives and Scope of Business**

**Article 13** The objectives of business of the Company are: The Company is committed to promoting the adoption of electric vehicles and the transition to green transportation by developing efficient and safe charger products. Its vision is to become a globally leading charging infrastructure provider, driving technological innovation and building an extensive charging network. Upholding the core values to be innovation-driven, quality-first, customer-oriented, environmentally responsible, and creating mutual benefits for shareholders and employees, the Company aims to achieve sustainable development and generate long-term value for shareholders.

**Article 14** Upon registration in accordance with the law, the business scope of the Company includes (subject to approval by the company registration authority): General activities: sales of chargers; sales of motor vehicle charging services; technical services, technical development, technical consultation, technical exchange, technology transfer, technology promotion; research and development of emerging energy technologies; power generation technical services; sales of solar thermal power generation products; sales of photovoltaic equipment and components; leasing of photovoltaic power generation equipment; manufacturing of electronic components and electromechanical equipment; sales of electronic components and electromechanical equipment; sales of power electronic components; manufacturing of power electronic components; manufacturing of electronic components; wholesale of electronic components; retail of electronic components; energy conservation management services; operation of electric vehicle charging infrastructure; leasing of charging control equipment; centralized rapid charging stations; sales of new energy vehicle battery swapping facilities; retail of automotive parts; wholesale of automotive parts; import and export of goods; import and export of technology; information consulting services (excluding licensed information consulting services); information technology consulting services; internet of things technology services; research and development of internet of things technology; information system integration services; software development; network technology services; sale of new energy vehicles; micro and small passenger vehicle leasing and operation services; investment management. (Except for projects subject to statutory approval, business activities may be conducted legally and independently with a business license) Licensed activities: construction projects. (Projects subject to statutory approval may only commence operations after obtaining approval from the relevant authorities. Specific business projects shall be subject to the approval documents or permits issued by relevant authorities)

## Chapter 3 Shares

### Section 1 Share Issuance

**Article 15** Shares of the Company take the form of share certificates. The capital of the Company shall be divided into shares. Each share shall be of equal value.

**Article 16** Shares of the Company shall be issued under the principle of openness, fairness and impartiality. The shares of the same class shall rank pari passu.

Each share of the same class in the same issue shall be issued on the same conditions and at the same price. The same price shall be paid for each share subscribed for by any entity or individual.

Unlisted domestic shares and overseas listed foreign shares issued by the Company shall rank pari passu in any distribution made in the form of dividends (including cash and in-kind distribution) or otherwise. No power shall be exercised to freeze or otherwise damage any rights attached to shares on the sole basis that the holders of such shares with direct or indirect interests in such shares have failed to disclose the said interests to the Company.

**Article 17** The total share capital of the Company is 59,788,807 shares. The shares issued by the Company are denominated in RMB, with a par value of RMB1 per share. The Company shall have ordinary shares at all times. Subject to the approval of the relevant department, the Company may have other forms of shares as required.

**Article 18** After completing the filing procedures with the securities regulatory authority under the State Council and obtaining consent from the Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”), the Company may issue shares to qualified domestic and foreign investors.

The foreign investors referred to in the preceding paragraph refer to investors from foreign countries, Hong Kong Special Administrative Region (“**Hong Kong**”), Macao Special Administrative Region, and Taiwan Region of the People’s Republic of China (the “**PRC**”) who subscribe to the shares issued by the Company; domestic investors refer to investors in the PRC who subscribe to the shares issued by the Company, except for those in the aforementioned regions.

**Article 19** Foreign shares issued by the Company and listed on the Hong Kong Stock Exchange shall, upon filing with the securities regulatory authorities under the State Council and obtaining the approval from the overseas securities regulatory authorities, be recognized as overseas listed foreign shares, commonly referred to as H shares.

Where permitted by relevant laws, administrative regulations and departmental rules, and subject to filing with the securities regulatory authorities under the State Council and other relevant regulatory bodies, shareholders of the Company may convert their unlisted shares into overseas listed shares for listing and trading on foreign stock exchanges. Such shares listed and traded on foreign stock exchanges shall also comply with the regulatory procedures, provisions and requirements of the overseas securities markets. The conversion of the aforesaid unlisted shares into overseas listed shares for listing and trading on foreign stock exchanges shall not require a resolution to be passed at a general meeting.

Subject to filing with the securities regulatory authorities under the State Council and approval by the Hong Kong Stock Exchange, holders of the Company's unlisted shares may transfer their holdings to overseas investors for listing and trading on overseas stock exchanges. All or part of the Company's unlisted shares may be converted into overseas listed foreign shares. Such shares transferred or converted for listing and trading on overseas stock exchanges shall also comply with the regulatory procedures, provisions and requirements of the overseas securities markets.

**Article 20** The promoters of the Company and the number and proportion of shares subscribed by them are as follows:

No.	Name of Shareholder	Number of Shares (10,000 shares)	Shareholding Percentage (%)	Contribution Method	Contribution Date
1	Huang Zhiming	1,506.3372	30.4369	Net assets converted into shares	February 28, 2022
2	Shanghai Tongdu Electronic Commerce Center (Limited Partnership)	828.7500	16.7457	Net assets converted into shares	February 28, 2022
3	Jingzhou Zhida Electric Vehicle Co., Ltd.	469.1991	9.4806	Net assets converted into shares	February 28, 2022
4	Shanghai China Power Investment Ronghe New Energy Investment Management Center (Limited Partnership)	417.0008	8.4259	Net assets converted into shares	February 28, 2022
5	Anhui Zhongding Sealing Parts Co., Ltd.	412.8405	8.3418	Net assets converted into shares	February 28, 2022
6	Anhui Jintong New Energy Vehicle Phase II Fund Partnership (limited Partnership)	265.3647	5.3619	Net assets converted into shares	February 28, 2022
7	Shanghai Tongdu Intelligent Technology Partnership (Limited Partnership)	216.8540	4.3817	Net assets converted into shares	February 28, 2022
8	BYD Company Limited	189.5462	3.8300	Net assets converted into shares	February 28, 2022
9	Shanghai Zhenghai Juhong Venture Capital Center (Limited Partnership)	177.7952	3.5925	Net assets converted into shares	February 28, 2022
10	Ningbo Longhuahui Boyuan Venture Capital Partnership (Limited Partnership)	113.7277	2.2980	Net assets converted into shares	February 28, 2022
11	Hangzhou Beida Guangju Venture Capital Partnership (Limited Partnership)	88.8976	1.7963	Net assets converted into shares	February 28, 2022
12	Suzhou Xinjing Fuying Venture Capital Partnership (Limited Partnership)	75.8185	1.5320	Net assets converted into shares	February 28, 2022

No.	Name of Shareholder	Number of Shares (10,000 shares)	Shareholding Percentage (%)	Contribution Method	Contribution Date
13	Ningbo Zhizun Venture Capital Partnership (Limited Partnership)	75.8185	1.5320	Net assets converted into shares	February 28, 2022
14	Jiangsu Jiequan Jingshifeng Investment Fund (Limited Partnership)	56.8638	1.1490	Net assets converted into shares	February 28, 2022
15	Hubei Qingyan Automobile Intelligent Manufacturing Venture Capital Fund Partnership (Limited Partnership)	52.3336	1.0574	Net assets converted into shares	February 28, 2022
16	Jiaxing Chuangqi Kaiying Venture Capital Partnership (Limited Partnership)	1.8955	0.0383	Net assets converted into shares	February 28, 2022
<b>Total</b>		<b>4,949.0429</b>	<b>100.0000</b>	—	—

The capital contributions subscribed by all promoters of the Company have been fully paid up. The portion of each promoter's contribution exceeding the registered capital has been credited to capital reserves.

**Article 21** The total number of shares of the Company is 59,788,807, all of which are ordinary shares. Prior to the issuance of H shares, the registered capital of the Company is RMB53,809,907.

**Article 22** The Company was filed with the China Securities Regulatory Commission (the "CSRC") on May 13, 2025, and made its initial offering of 5,978,900 shares of overseas listed shares ("H shares") on the Hong Kong Stock Exchange. The aforesaid H shares were listed on the Hong Kong Stock Exchange on October 10, 2025.

Following the issuance of the aforesaid overseas listed foreign shares (assuming the Over-allotment Option is not exercised) and the conversion of domestic unlisted shares into overseas listed foreign shares, the share capital structure of the Company is as follow: 59,788,807 ordinary shares, all of which are overseas listed foreign shares, comprising 53,809,907 overseas listed foreign shares converted from domestic unlisted shares and 5,978,900 overseas listed shares offered on the Hong Kong Stock Exchange.

Following the approval of the extraordinary general meeting held on February 13, 2026, the total number of issued shares of the Company has been changed from 59,788,807 shares to 298,944,035 shares.

**Article 23** For any issuance plans for offering of overseas listed foreign shares and unlisted shares by the Company as approved by the securities regulatory authorities under the State Council, the Board of Directors may make implementation arrangements for the respective issuance.

The respective plans of the Company for issuance of overseas listed foreign shares and domestic unlisted shares in accordance with the preceding paragraph may be implemented separately within 15 months from the date of filing with the securities regulatory authorities under the State Council.

**Article 24** If the Company separately issues overseas listed foreign shares and unlisted shares within the total number specified in the issuance plans, the said shares shall be issued respectively at one time. Under special circumstances where the shares cannot be issued at one time, multiple issuances may be conducted upon approval by the securities regulatory authority under the State Council.

**Article 25** The Company or its subsidiaries (including affiliated enterprises of the Company) shall not provide any assistance to the person who purchases or intends to purchase the Company's shares in the form of gifts, advances, guarantees, compensations, or loans.

**Article 26** Share certificates of the Company shall be in registered form. In addition to those provided in the Company Law, a share certificate of the Company shall also contain any other items required to be specified by the stock exchanges of places where the Company's shares are listed.

Share certificates issued by the Company to the founder and legal person shall be in registered form, which contain the name of the founder or legal person and shall not be registered in the name of separate account or representative.

The overseas-listed shares of the Company may be in the form of foreign depository receipts or in other derivative forms of shares in accordance with the laws and the securities registration and depository practices prevailing in the place where the Company's shares are listed.

If shares that do not have voting rights are counted towards the share capital of the Company, such shares shall bear the phrase "no voting rights" in their title. If shares carrying different voting rights are counted towards the share capital of the Company, these classes of shares (except for the class of shares with the most privileged voting rights) shall bear the phrase "restricted voting rights" or "limited voting rights" in their titles.

The share certificates of the Company shall be signed by the chairman of the Board of Directors. Where the stock exchanges of places where the Company's shares are listed require the general manager or other senior management of the Company to sign the share certificates, the share certificates shall be signed by the general manager or other relevant senior management of the Company. The share certificates shall become effective after a seal of the Company is affixed or imprinted thereon. The affixation of the Company's seal on the share certificates shall be subject to the authorization of the Board of Directors. The signatures of the chairman of the Board of Directors, the general manager or other relevant senior management of the Company on the share certificates can be provided in printed form. When scrippless shares of the Company are issued and traded, the applicable provisions of the securities regulatory authorities and stock exchanges of places where the Company's shares are listed shall be followed.

**Article 27** The Company shall maintain register of members to state the following matter or conduct the registration of shareholders pursuant to the provisions of the laws, administrative regulations, departmental rules and the regulatory rules of places where the Company's shares are listed:

- (1) the name and address of shareholders;
- (2) the class and number of shares held by each shareholder;

- (3) the serial number of the share certificates held by each shareholder;
- (4) the date on which each shareholder acquires shares;
- (5) the amount paid or payable for the shares held by each shareholder;
- (6) the date on which each shareholder ceases to be a shareholder.

Unless there is evidence to the contrary, the register of members shall be sufficient evidence of the shareholders' respective shareholdings in the Company.

Subject to compliance with these Articles of Association and other applicable requirements and upon transfer of the shares of the Company, the transferees of the shares will become the holders of such shares with their names being entered in the register of members.

**Article 28** The transfer of shares must be recorded in the register of members. The Company may keep overseas the register of holders of overseas listed foreign shares and entrust the administration thereof to an overseas agent in accordance with the understanding and agreement reached between the securities regulatory authorities of the State Council and the overseas securities regulatory authorities. The original register of members of overseas listed foreign shares listed in Hong Kong shall be kept in Hong Kong, and must be available for inspection by shareholders. The Company may be allowed to suspend shareholder registration procedures in accordance with provisions in line with Provision 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The Company shall keep a copy of the register of members of overseas listed foreign shares at its domicile. The entrusted overseas agency shall ensure the consistency of the original and duplicate register of members of overseas listed foreign shares at all times.

In case of discrepancy between the original and duplicate register of members of overseas listed foreign shares, the original version shall prevail.

**Article 29** The Company shall keep a complete register of members.

The register of members shall comprise the following parts:

- (1) the register kept at the Company's domicile, apart from those mentioned under items (2), (3) and (4) in this paragraph;
- (2) the registers of members of the overseas listed foreign shares kept at the location(s) of the stock exchange(s) on which the shares are listed;
- (3) any other register of members kept at such other places as the Board of Directors deems necessary for the purpose of listing the shares of the Company.

**Article 30** The various parts of the register of members shall not overlap with each another. The transfer of shares registered in a certain part of the register of members shall not be registered in any other part of the register during the continuance of the registration of such shares.

Any changes or corrections of any part of the register of members shall be effected in accordance with the laws of the places in which that part of the register of members is kept.

**Article 31** For holders of H shares, when two or more persons registered as joint shareholders of any share, they shall be deemed as joint holders of the relevant share, and shall be subject to the following provisions:

- (1) The Company shall not have more than four persons registered as joint shareholders for any share;
- (2) All joint shareholders of any share shall, individually and collectively, bear the liabilities for all the payable amount of the relevant share;
- (3) In case of death of one of the joint shareholders, only the other surviving joint shareholder(s) shall be deemed by the Company as owner of the shares, but for the purpose of revising the register of members, the Board of Directors shall be entitled to demand the surviving joint shareholder(s) to provide a death certificate as the Board of Directors thinks fit;
- (4) For joint shareholders of any share, the person whose name stands first in the register of members shall be entitled to receive share certificate of the relevant share or receive notice from the Company, and the service of notice to the aforesaid person shall be deemed as service of notice to all joint shareholders. Any of the joint shareholders may sign a proxy form; provided, however, where the number of the joint shareholders presenting in person or by proxy at a meeting is more than one, the vote cast, no matter in person or by proxy, by the shareholder whose name appears in prior sequence shall be regarded as the sole and exclusive vote on behalf of the rest joint shareholders. For the purpose of such voting, the shareholder's priority shall be determined in accordance with the sequence of the joint shareholders holding relevant shares as prescribed in the Company's register of members.

Where one of the joint shareholders delivers a receipt to the Company as regards to any dividends, bonus or return of capital which shall be distributed to such joint shareholders, such receipt shall be deemed as a valid receipt from such joint shareholders to the Company.

**Article 32** Within 30 days prior to a general meeting or within 5 days prior to the record date on which basis the Company has decided to distribute dividends, no entry shall be made to the register of members to record any changes resulting from any share transfer.

In the event that the securities regulatory authorities of places where the Company's shares are listed make other provisions, such provisions shall prevail.

**Article 33** When the Company convenes a general meeting, distributes dividends, enters into liquidation or carries out other activities necessary for the ascertainment of shareholding, the Board of Directors shall determine a date as the record date. When the record date closed, the shareholders of the Company shall be the shareholders who remain on the register of members.

**Article 34** Any person who has an objection to the register of members and requests to have his/her name (title) entered into or removed from the register of members may file a petition to the court of competent jurisdiction for rectification.

**Article 35** Any registered shareholder or any person who claims to have his/her name (title) entered into the register of members in respect of shares in the Company may apply to the Company for a new share certificate for replacement in respect of such shares (the “**relevant shares**”), in the event that his/her share certificate (the “**Original Share Certificate**”) has been lost.

In the event that a shareholder whose share certificate of domestic shares has been lost applies to the Company for a replacement new share certificate, it shall be dealt with in accordance with the relevant provisions of the Company Law.

In the event that a H shareholder whose share certificate has been lost applies to the Company for a replacement new share certificate, it may be dealt with in accordance with the laws, rules of the stock exchange or other relevant provisions of places where the original register of members of H shares is maintained.

In the event that a H shareholder of a Hong Kong-listed company whose share certificate has been lost, the issue of a replacement new share certificate shall comply with the following requirements:

- (1) The applicant shall submit an application to the company in a prescribed form accompanied by a notarized certificate or a statutory declaration stating the grounds upon which the application is made and the circumstances and the evidence of the stealing, loss or destruction, and declaring that no other person is entitled to have his/her name entered in the register of members in respect of the relevant shares;
- (2) Before the company decides to issue the replacement new share certificate, no statement made by any person other than the applicant declaring that his/her name shall be entered in the register of members in respect of such shares has been received;
- (3) The company shall, if it decides to issue a replacement new share certificate, publish an announcement in respect of the issue of a replacement new share certificate in such newspapers as may be prescribed by the board of directors; the period of announcement shall be 90 days and the announcement shall be reissued at least once every 30 days;
- (4) The company shall, prior to the publication of the announcement of its proposed issue of a replacement new share certificate, submit to the stock exchange on which its shares are listed a copy of the announcement to be published, and may publish the announcement upon receiving confirmation from such stock exchange that the announcement has been exhibited in the said stock exchange. Such announcement shall be exhibited in the said stock exchange for a period of 90 days;

In the event that the application for replacement of a share certificate is made without the consent of the registered holder of the relevant shares, the company shall deliver by mail to such registered shareholder a photocopy of the announcement to be published;

- (5) If, upon expiry of the 90-day period referred to in items (3) and (4) in this paragraph, the company have not received from any person notice of any objection to such application in respect of the issue of replacement share certificate, the company may issue a replacement new share certificate to the applicant accordingly;

- (6) Where the company issues a replacement new share certificate under this Article, it shall forthwith cancel the original share certificate and record the cancellation and replacement issue in the register of members accordingly;
- (7) All expenses relating to the cancellation of an original share certificate and the issuance of a replacement new share certificate by the company shall be borne by the applicant and the company is entitled to refuse to take any action until reasonable security is provided by the applicant.

**Article 36** Where the Company issues a new replacement share certificate pursuant to the Articles of Association, the name (company name) of a bona fide purchaser gaining possession of such new share certificate or the person who is subsequently entered in the register of members as holder of such shares (if he is a bona fide purchaser) shall not be removed from the register of members.

The Company shall not have any obligation to indemnify any person for any damages suffered from the cancellation of the original share certificate or the issuance of a new replacement share certificate, unless such person concerned can prove that the Company has committed a fraudulent act.

## **Section 2 Increase, Decrease and Repurchase of Shares**

**Article 37** Upon approval by separate resolution of the general meeting, the Company may, based on its operation and development needs and in accordance with applicable laws and regulations, increase its capital by way of:

- (1) public offering of shares upon approval by relevant departments;
- (2) non-public offering of shares;
- (3) offering bonus shares to existing shareholders;
- (4) capitalization of surplus reserve into share capital;
- (5) by other means as prescribed by laws and administrative regulations.

Shareholders of the Company shall not be entitled to preemptive right for public or non-public offering of shares of the Company. The increase of capital of the Company by issuing new shares shall be subject to approval as specified in these Articles of Association and follow the procedures specified by relevant laws and administrative regulations of the PRC and the regulatory rules of places where the Company's shares are listed.

**Article 38** In case of issue of new shares by the Company, the general meeting shall make resolution on the following matters:

- (1) the class and number of new shares;
- (2) the issue price of new shares;
- (3) the long stop date of the issue of new shares;
- (4) the class and number of new shares offering to existing shareholders.

**Article 39** The Company may reduce its registered capital. The reduction of registered capital shall be made in accordance with the Company Law and the regulatory rules of places where the Company's shares are listed and other relevant regulations as well as procedures stipulated in these Articles of Association.

**Article 40** The Company may, in the following circumstances, repurchase shares of the Company in accordance with the provisions of laws, administrative regulations, departmental rules and these Articles of Association:

- (1) to reduce the registered capital of the Company;
- (2) to merge with other companies holding shares in the Company;
- (3) to use shares for employee shareholding schemes or as equity incentives;
- (4) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any general meetings regarding the merger or division of the Company;
- (5) to use the shares to satisfy the conversion of the convertible corporate bonds into shares issued by the Company;
- (6) to safeguard corporate value and shareholders' interests as the Company deems necessary.
- (7) other circumstances approved by laws, administrative regulations, departmental rules and the regulatory rules of places where the Company's shares are listed.

The Company shall not trade its shares unless in the aforesaid circumstances.

**Article 41** Where the Company purchases its shares due to reasons stated in item (1) to item (2) in Article 40 of these Articles of Association, a resolution by the general meeting is required. Where the Company purchases its shares due to reasons stated in item (3), item (5) and item (6) in Article 40 of these Articles of Association, a resolution of the Board of Directors passed by two-thirds of the Directors attending the meeting of the Board of Directors is required.

After purchasing its own shares in accordance with Article 40, the Company shall, under the circumstance set forth in item (1), cancel them within 10 days after the purchase; while under the circumstance set forth in either item (2) or item (4), transfer or cancel them within 6 months; and while under the circumstance set forth in item (3), item (5) or item (6), aggregately hold not more than 10% of the total shares that have been issued by the Company, and transfer or cancel them within 3 years.

Where relevant laws, administrative regulations, departmental rules, other normative documents and relevant provisions of the securities regulatory authorities of places where the Company's shares are listed have any other provisions in respect of the aforementioned share repurchase, such provisions shall prevail.

In case the Company repurchases its shares, the Company shall perform information disclosure obligation in accordance with laws.

**Article 42** The Company may repurchase its shares in any of the following ways:

- (1) making a general offer to repurchase shares from all shareholders on a pro rata basis;
- (2) repurchasing shares through open transactions in the stock exchange;
- (3) repurchasing shares based on an off-market agreement;
- (4) in other forms permitted by laws, administrative regulations and approved by regulatory authorities.

**Article 43** When repurchasing shares based on an off-market agreement, the Company shall obtain prior approval at the general meeting in accordance with these Articles of Association. Where prior approval has been obtained from the shareholders in a general meeting in the same manner, the Company may release or modify the contracts entered into in the aforesaid manner or waive any rights granted under such contracts.

The contracts for repurchasing shares referred to in the preceding paragraph include (but not limited to) agreements whereby repurchase obligations are undertaken and repurchase rights are acquired.

The Company shall not assign a contract for the repurchase of its own shares or assign any of its rights contained thereunder.

In respect of the redeemable shares that the Company has the right to repurchase, in the event that such shares are not repurchased on the market or by bidding, the share repurchase price shall be limited to a maximum price; in the event that such shares are repurchased by bidding, such offer shall be made available to all shareholders equally on the same terms.

**Article 44** After repurchasing its shares according to laws, the Company shall cancel such shares within the timeframe as stipulated under laws and administrative regulations, and register the change of the registered capital with the original registration authorities.

The total par value of the cancelled shares shall be reduced accordingly from the registered capital of the Company.

**Article 45** Except where the Company is in course of liquidation, it must comply with the following provisions in repurchasing its issued and outstanding shares:

- (1) Where the Company repurchases shares at their par value, the amount of total par value shall be deducted from the book balance of distributable profits or out of the proceeds of a new issuance of shares made to repurchase the old shares;
- (2) Where the Company repurchases shares at a price higher than their par value, the portion corresponding to their par value shall be deducted from the book balance of distributable profits of the Company or out of the proceeds of a new issue of shares made to buy back the old shares; and the portion in excess of the par value shall be handled according to the following methods:
  1. Where the shares repurchased were issued at their par value, the amount shall be deducted from the book balance of distributable profits of the Company;

2. Where the shares repurchased were issued at a price higher than their par value, the amount shall be deducted from the book balance of distributable profits of the Company or from the proceeds of a new issuance of shares made to repurchase the old shares; provided that the amount deducted from the proceeds of the new issuance of shares shall not exceed the total premium obtained at the time of issuance of the old shares so repurchased nor exceed the amount in the Company's premium account (or capital common reserve account) (including the premium from the new issuance of shares) at the time of repurchase;
- (3) Payments by the Company in consideration for the following purposes shall be made out of the Company's distributable profits:
  1. Acquisition of the right to repurchase its own shares;
  2. Amendments to any contract for the repurchase of its own shares;
  3. Release from any of its obligations under any repurchase contract.
- (4) After the aggregate par value of the cancelled shares has been deducted from the registered capital of the Company in accordance with relevant regulations, that portion of the amount deducted from the distributable profits and used to repurchase shares at the par value of the repurchased shares shall be included in the Company's premium account (or capital common reserve account).

Where the laws, administrative regulations and relevant provisions of relevant regulatory authorities have any other provisions in respect of the financial arrangement relating to the aforesaid share repurchase, such provisions shall prevail.

### **Section 3 Transfer of Shares**

**Article 46** Unless otherwise specified by laws and administrative regulations and the securities regulatory authorities of places where the Company's shares are listed and the listing rules, fully paid-up shares of the Company may be transferred freely and without any liens in accordance with laws. Shares of the Company can be gifted, inherited and pledged in accordance with provisions of relevant laws, administrative regulations and these Articles of Association. Transfer of shares of the Company shall be registered with the local share registry appointed by the Company.

**Article 47** All fully paid H shares may be transferred freely in accordance with these Articles of Association. However, the Board of Directors may refuse to recognize any instrument of transfer without stating any reasons unless the following conditions are satisfied:

- (1) instrument of transfer and any other documents related to the ownership of any shares or likely to affect the ownership of any shares shall be registered, and payment for such registration shall not exceed the highest amount stipulated by the Listing Rules of Hong Kong Stock Exchange from time to time;
- (2) the instrument of transfer only involves H shares;
- (3) the stamp duty for the instrument of transfer has been paid;

- (4) the relevant share certificate and evidence reasonably required by the Board of Directors showing that the transferor has the right to transfer such shares shall be provided;
- (5) in the event that the shares are to be transferred to joint holders, the number of joint holders shall not exceed four;
- (6) the relevant shares are free from all liens of the Company; and
- (7) no transfer of shares shall be made to any minors or any person of unsound mind or under other legal disability.

**Article 48** In the event that the Board of Directors refuses to register the transfer of shares, the Company shall send a notice concerning the refusal of the registration of such share transfer to transferor and transferee, within two months from the date when the application for share transfer is officially submitted. Transfers of H shares of the Company shall be effected by transfer documents in writing in an ordinary or usual form or in any other form acceptable to the Board of Directors (including the standard transfer format or form of transfer specified by the Hong Kong Stock Exchange from time to time); such written transfer documents may be signed by hand or (where the transferor or transferee is a corporation) by the effective seal of the company. Where the transferor or transferee is a recognized clearing house (“Recognized Clearing House”) as defined by relevant regulations in Hong Kong laws from time to time, or its nominee, the written transfer documents may be signed by hand or in printed form.

All instruments of transfer shall be maintained at the statutory address of the Company or such places as the Board of Directors may specify from time to time.

**Article 49** The Company shall not accept its own shares as pledge object.

**Article 50** The shares of the Company held by the promoters shall not be transferred within one year after incorporation of the Company. Shares issued by the Company before public offering shall not be transferred within one year after the shares of the Company are listed on the stock exchange.

The Directors and senior management of the Company shall report to the Company about their shareholdings and changes thereof and shall not transfer more than 25% of their shares per annum during their terms of office. Shares of the Company held by them shall not be transferred within one year after the shares of the Company are listed and within 6 months after they terminate service with the Company.

Where the regulatory rules of places where the Company’s shares are listed have any other provisions in respect of the transfer of overseas-listed shares, such provisions shall prevail.

**Article 51** If the Directors, senior management of the Company and shareholders holding more than 5% of the shares of the Company sell shares within 6 months after buying the same or buy shares within 6 months after selling the same, the gains arising therefrom shall belong to the Company and the Board of Directors of the Company will recover the said gains. However, it shall not apply to a securities firm which holds 5% or more of the Company’s shares as a result of its underwriting of the untaken shares in an offer or other circumstances as stipulated by the CSRC.

Shares or other securities with the nature of equity held by Directors, senior management and individual shareholders referred to in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, or held by them by using other people's accounts.

Where the Board of Directors of the Company does not comply with the provision of the preceding paragraph, the shareholders are entitled to request the Board of Directors to do so within 30 days. Where the Board of Directors does not do so within the said period, the shareholders are entitled to commence litigations in the people's court in their own names for the interests of the Company.

Where the Board of Directors of the Company does not enforce the provision of the first paragraph, the accountable Directors shall assume joint and several responsibilities in accordance with the laws.

## **Chapter 4 Shareholders and General Meetings**

### **Section 1 Shareholders**

**Article 52** The Company maintains a register of members, which serves as conclusive evidence of a shareholder's ownership of the Company's shares. Shareholders are entitled to rights and obligations according to the class of shares. Shareholders of the same class shall be entitled to the same rights and the same obligations.

**Article 53** When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities which require the verification of the identities of shareholders, the Board of Directors or the convener of the general meeting shall decide the date of record. The shareholders whose names are registered on the register of members at the close of trading on the date of record shall be entitled to the relevant rights.

**Article 54** Ordinary shareholders of the Company shall enjoy the following rights:

- (1) the right to dividends and other distributions in proportion to the number of shares held;
- (2) the right to apply for, convene, preside, attend or appoint proxies to attend general meetings and to exercise the corresponding right to vote;
- (3) the right to supervise, present proposals or raise enquiries in respect of the Company's business operations;
- (4) the right to transfer, give as a gift or pledge the shares it holds in accordance with laws, administrative regulations and these Articles of Association;
- (5) the right to inspect and copy the Articles of Association, register of members, minutes of general meetings of shareholders, the resolutions of the Board of Directors, and the financial accounting reports; for shareholders who meet the prescribed conditions, the right to inspect the Company's accounting books and accounting vouchers;
- (6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;

- (7) Shareholders who object to resolutions of merger or division made by the general meeting may request the Company to purchase shares held;
- (8) other rights provided for by laws, administrative regulations, departmental rules, regulatory rules of places where the Company's shares are listed, other normative documents or these Articles of Association.

**Article 55** When a shareholder requests to inspect the relevant information mentioned in the preceding Article or requests any materials, such shareholder shall provide the Company with written documents evidencing the class and number of shares held, and the Company shall provide such relevant information or such materials upon request after verifying his/her shareholder identity.

**Article 56** If the contents of a resolution of the general meeting or the Board of Directors of the Company violates the laws or administrative regulations, the shareholders shall have the right to request the people's court to invalidate the resolution.

If the convening procedure or voting method of the general meetings or the meetings of the Board of Directors violates the laws, administrative regulations or these Articles of Association or the contents of a resolution violates these Articles of Association, the shareholders shall have the right to request the people's court to revoke such resolution within 60 days after passing the resolution.

**Article 57** In the event of any loss caused to the Company as a result of violation of laws, administrative regulations or these Articles of Association by the Directors or senior management other than members of the Audit Committee when performing their duties, any of the shareholders who holds 1% or more of the shares individually or jointly for no less than 180 consecutive days shall have the right to request the Audit Committee in writing to initiate litigation before the people's court. In the event of any loss caused to the Company as a result of violation of laws, administrative regulations or these Articles of Association by members of the Audit Committee when performing its duties, any of the shareholders may request the Board of Directors in writing to initiate litigation before the people's court.

In the event that the Audit Committee or the Board of Directors dismisses the written request of any of the shareholders referred to in the preceding paragraph, or withholds from instituting litigation within 30 days of the receipt of the request, or that the failure to institute litigation immediately may otherwise cause irreparable damage to the interests of the Company in an urgent circumstance, such shareholder(s) referred to in the preceding paragraph shall have the right to initiate litigation before the people's court in the name(s) of such shareholder(s) in the interest of the Company.

If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the shareholder(s) as mentioned in the first paragraph of this Article may institute legal proceedings to the people's court according to the provisions of the two preceding paragraphs.

**Article 58** In the event that any Director or senior management violates laws, administrative regulations or these Articles of Association to the detriment of the interest of the shareholders, the shareholders may initiate litigation before the People's Court.

**Article 59** Ordinary shareholders of the Company shall have the following obligations:

- (1) to comply with the laws, administrative regulations, departmental rules, regulatory provisions of places where the shares of the Company are listed and these Articles of Association;
- (2) to make the payment in respect of the shares subscribed for and the method of subscription;
- (3) to be prohibited from claiming the share capital in respect of its shares, unless otherwise specified by laws or regulations;
- (4) not to abuse rights of shareholder to the detriment of the interests of the Company or other shareholders, or abuse the Company's independent legal person status or the limited liability of the shareholders, to the detriment of the interest of the creditors of the Company;

In the event of any damage caused to the Company or other shareholders arising from any abuse of the shareholder's rights, such shareholder shall be liable for compensation in accordance with laws.

In the event of any material damage caused to the interests of the creditors of the Company arising from any abuse of the Company's independent legal person status and the limited liability of the shareholders by any shareholder to evade from debts, such shareholder shall be jointly and severally liable for the Company's debts.

- (5) Shareholders and related parties must not occupy or transfer capital, asset and other resources of the Company by any means. In case of transfer of the Company's capital, asset and other resources as a result of a connected transaction between shareholder and its related parties and the Company, provisions in relation to connected transaction in these Articles of Association shall be followed.
- (6) other obligations prescribed by laws, administrative regulations, regulatory rules of places where the Company's shares are listed and these Articles of Association.

Apart from the conditions as agreed by the share subscribers upon subscription, shareholders shall not be liable for any subsequent obligations in relation to share capital.

**Article 60** Any shareholder holding 5% or above of the voting shares of the Company, who pledges its shares, shall immediately report to the Company in writing on the day of effectiveness of such pledge of shares.

**Article 61** The controlling shareholders and actual controllers of the Company shall not exploit their connected relationship to harm the interests of the Company. In the event of any damage caused to the Company due to their violation of regulations, they shall be liable for such damages.

The controlling shareholders and actual controllers of the Company shall bear the fiduciary duty to the Company and other shareholders of the Company. The controlling shareholders shall strictly abide by laws in exercising the investor's rights and shall not infringe the legitimate rights of the Company and other shareholders by way of profit distribution, asset reorganization, external investment, misappropriation of capital and providing guarantee for borrowings. The controlling shareholders shall also not exploit their controlling position to harm the interests of the Company or other shareholders.

**Article 62** In addition to the obligations imposed by laws and administrative regulations or regulatory rules of places where the Company's shares are listed, the controlling shareholder, in exercising the power as a shareholder, shall not exercise his/her voting rights in a manner prejudicial to the interests of all or some part of the shareholders when making decision on the following matters:

- (1) to remove a Director of his/her duty to act in good faith in the best interests of the Company;
- (2) to approve the expropriation by a Director (for his/her own benefit or for the benefit of another), in any manner, the assets of the Company, including but not limited to an opportunity beneficial to the Company;
- (3) to approve the expropriation by a Director (for his/her own benefit or for the benefit of another) the individual interests of other shareholders, including but not limited to rights to distributions and voting rights except for restructuring of the Company submitted for approval by the shareholders in general meeting in accordance with these Articles of Association.

**Article 63** The controlling shareholder referred to in these Articles of Association means any person who meet one of the following conditions:

- (1) The person may elect more than half of the Directors when acting alone or in concert with others;
- (2) The person may exercise more than 30% of the total voting shares of the Company or control the exercise of more than 30% of the total voting shares of the Company when acting alone or in concert with others;
- (3) The person holds more than 30% of outstanding shares of the Company when acting alone or in concert with others;
- (4) The person may have actual control over the Company in any other manner when acting alone or in concert with others.

## Section 2 General Rules of General Meeting

**Article 64** The general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with the laws:

- (1) to elect and replace Directors, and to determine the remuneration of the relevant Directors;
- (2) to consider and approve the reports of the Board of Directors;
- (3) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (4) to resolve on the increase or reduction of registered capital;
- (5) to resolve on the issuance of bonds of the Company;
- (6) to resolve on matters such as merger, division, dissolution, liquidation or change of form of the Company;
- (7) to amend these Articles of Association;
- (8) to resolve on the appointment, removal of any accounting firm undertaking the audit business of the Company;
- (9) to consider and approve guarantee matters under Article 66 of these Articles of Association;
- (10) to consider matters of which material assets purchased or sold within one year exceed 30% of the latest audited total assets of the Company;
- (11) to consider and approve any change of the use of proceeds raised;
- (12) to consider share incentive scheme and employee shareholding scheme;
- (13) to consider other matters to be resolved at general meeting as required by laws, administrative regulations, regulatory rules of places where the Company's shares are listed or these Articles of Association.

The general meeting may authorize the Board of Directors to resolve on the issuance of bonds of the Company;

Without violating laws and regulations and the mandatory rules under relevant laws and regulations of the places where the Company is listed, the general meeting may authorize or delegate the Board of Directors to handle authorized or delegated matters.

**Article 65** Save that the Company is under exceptional circumstances such as crisis, unless approved by way of special resolution at a general meeting, the Company shall not enter into any contracts with any person other than Directors and the senior management under which the management of all or a substantial part of the business of the Company will be transferred to such person.

**Article 66** The following provision of external guarantees by the Company shall be considered and approved by the general meeting:

- (1) any guarantee after total external guarantee amount of the Company and its majority-owned subsidiaries has exceeded 50% of the latest audited net assets;
- (2) any guarantee after total external guarantee amount of the Company has exceeded 30% of the latest audited net assets of the Company;
- (3) any guarantee where the guarantee amount provided by the Company within one year exceeds 30% of the latest audited total assets of the Company;
- (4) any guarantee provided for any entity with a gearing ratio of more than 70%;
- (5) any single guarantee with a guarantee amount exceeded 10% of the latest audited net assets;
- (6) any guarantee provided to shareholders, actual controllers and their related parties.

**Article 67** The Company shall submit the following transactions (excluding providing guarantees, receiving donated cash assets, and debts that solely reduce the Company's obligations) to the general meeting for review and approval:

- (1) Where the total assets involved in the transaction (taking the higher of book value and appraised value, if both exist) or the transaction amount accounts for more than 50% of the Company's total audited assets in the most recent fiscal year;
- (2) Where the net assets involved in the transaction or the transaction amount accounts for more than 50% of the absolute value of the Company's audited net assets in the most recent fiscal year and exceeds RMB100 million.

Where data involved in the above criteria is negative, the absolute value shall be taken for calculation.

**Article 68** Where the provision of external financial assistance by the Company is in one of the following circumstances, it shall be submitted to the general meeting for consideration upon being considered and approved by the Board of Directors:

- (1) the latest gearing ratio of the party receiving assistance exceeded 70%;
- (2) the amount of single financial assistance or the accumulated amount of financial assistance within 12 consecutive months exceeded 10% of the latest audited net assets of the Company.

**Article 69** General meeting consists of annual general meeting and extraordinary general meeting. The annual general meeting shall be held once every year within six months following the end of the previous financial year.

**Article 70** The Company shall hold an extraordinary general meeting within 2 months subsequent to the occurrence of any of the following events:

- (1) when the number of incumbent Directors falls below the requirement of the Company Law, or is less than two-thirds of the number specified by the Articles of Association;
- (2) when the uncovered loss is more than one-third of the Company's total paid-in share capital;
- (3) when any of the shareholders individually or jointly holding more than 10% of shares of the Company make any written request;
- (4) when the Board of Directors considers it necessary;
- (5) when the Audit Committee proposes to convene such meeting;

- (6) such other circumstances as specified by laws, administrative regulations, departmental rules, regulatory rules of places where the Company's shares are listed or these Articles of Association.

Number of shares in circumstance (3) above shall be calculated as of the date on which the written request is made.

**Article 71** The venue to hold a general meeting of the Company shall be the domicile of the Company or other location specified by the convener in the notice of general meeting.

A general meeting shall usually be in the form of physical meeting to be held on-site. The Company shall facilitate the participation of shareholders at the general meetings by the Internet, communication or other ways based on specific situation and in accordance with provisions of laws, administrative regulations, securities regulatory authorities of places where the Company's shares are listed, the Hong Kong Listing Rules or these Articles of Association. A shareholder who participates in a general meeting in the aforesaid manners shall be deemed to have been present at the meeting.

**Article 72** The Company shall engage lawyers to attend the general meeting and advise on the following issues:

- (1) Whether the convening of the general meeting and its procedures are in compliance with laws, administrative regulations and these Articles of Association;
- (2) Whether the attendees are eligible and whether the eligibility of the convener is lawful and valid;
- (3) Whether the procedures of voting and the voting outcome of the meeting are lawful and valid;
- (4) Legal opinions on other related matters at the request of the Company.

### **Section 3 Convening of General Meeting**

**Article 73** The Board of Directors shall convene the general meeting in a timely manner within the timeframe as stipulated under these Articles of Association. Where the Board of Directors decides to convene a general meeting, it shall issue the notice of general meeting within 5 days upon such resolution of the Board of Directors is approved.

Any independent Director (to avoid ambiguity, the term "independent Director" herein refers to an independent non-executive Director as defined under the Hong Kong Listing Rules, the same applies below) may propose to the Board of Directors to convene an extraordinary general meeting, and such proposal shall be made in writing to the Board of Directors, subject to approval by more than half of the independent Directors. In respect of proposal made by independent Director to convene an extraordinary general meeting, the Board of Directors shall reply in writing, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, regulatory rules of places where the Company's shares are listed and these Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following the date of such resolution of the Board of Directors. If the Board of Directors rejects the proposal, the Board of Directors shall provide an explanation and make relevant announcement.

If the securities regulatory authorities of places where the Company's shares are listed have alternative provisions, such provisions shall prevail.

**Article 74** The Audit Committee may propose in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, regulatory rules of places where the Company's shares are listed and these Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following the date of such resolution of the Board of Directors, provided that any change to the proposal made in notice shall be subject to approval of the Audit Committee.

If the Board of Directors rejects the proposal or withholds from responding for 10 days following receipt of the proposal, the Board of Directors shall be deemed incapable or failing to perform the duty of convening a general meeting. In such case, the Audit Committee may convene and preside over the meeting.

**Article 75** Any of the shareholders individually or jointly holding no less than 10% of the Company's shares may propose in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall reply in writing in response to such proposal, whether consent or not, within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, regulatory rules of places where the Company's shares are listed and these Articles of Association.

If the Board of Directors consents to the proposal, a notice on convening such meeting shall be issued within five days following the date of such resolution of the Board of Directors, provided that any change to the proposal made in the notice shall be subject to approval of the relevant shareholder(s).

If the Board of Directors rejects the proposal or withholds from responding for 10 days following the receipt of the proposal, such shareholder(s) individually or jointly holding no less than 10% of the shares of the Company may propose to the Audit Committee in writing to convene an extraordinary general meeting.

If the Audit Committee consents to the proposal, a notice convening such meeting shall be issued within five days following receipt of the proposal, provided that any change to the proposal made in the notice shall be subject to approval of the relevant shareholder(s).

If the Audit Committee has not issued any notice on convening such meeting within the prescribed period, it shall be deemed that the Audit Committee will not convene and preside over the extraordinary general meeting. Such shareholder(s) individually or jointly holding 10% or above of the Company's shares for more than 90 consecutive days shall have the right to convene and preside over an extraordinary general meeting.

**Article 76** If the Audit Committee or any such shareholder(s) decide(s) to convene an extraordinary general meeting, the Board of Directors shall be notified in writing. The shareholder(s) convening the general meeting shall hold no less than 10% of the shares of the Company prior to the approval of any resolution at the general meeting.

**Article 77** If the Audit Committee or any such shareholder(s) decide(s) to convene an extraordinary general meeting, the Board of Directors shall be notified in writing. The Board of Directors and its secretary shall cooperate with the Audit Committee or such shareholder(s) convening the meeting. The Board of Directors shall provide the register of members as of the record date. The register of members obtained by the convener shall not be used for other purposes other than the convening of general meeting, and shall be filed with the branch of the CSRC in the place in which the Company is located and the corresponding stock exchange(s).

**Article 78** For any general meetings convened by the Audit Committee or shareholders, any expense necessary to convene the meeting shall be reimbursed by the Company.

#### **Section 4 Proposal and Notice of General Meeting**

**Article 79** The contents of the proposed motion shall fall within the functions of the general meeting, shall feature definite topics and specific issues for resolution, and shall be in compliance with relevant provisions of the laws, administrative regulations, regulatory rules of places where the Company's shares are listed and these Articles of Association.

**Article 80** As a general meeting is convened, the Board of Directors, the Audit Committee and any of the shareholders individually or jointly holding no less than 1% of the shares of the Company may propose resolution(s) to the Company.

Any of the shareholders individually or jointly holding no less than 3% of the shares of the Company may submit an interim proposal in writing to the convener at least 10 days prior to the convening of the general meeting. The convener shall then send a supplemental notice to inform other shareholders, explain the interim proposal and submit such interim proposal to the general meeting for consideration, within 2 days upon receipt of such proposal.

Other than the above circumstances, the convener shall not make any change in the notice of the general meeting to the existing proposals or add any new proposal after the publication of the notice.

Such motions which are not specified in the notice of the general meeting or which do not comply with the Articles of Association shall not be voted or resolved at the general meeting.

**Article 81** The convener shall notify all shareholders by writing or other communication means 20 days before the annual general meeting is held, and 15 days before the extraordinary general meeting is held in case of the convening of extraordinary general meeting. If the laws, regulations and securities regulatory authorities of places where the Company's shares are listed have alternative provisions, such provisions shall prevail.

An extraordinary general meeting shall not be permitted to propose resolutions on matters which were not included in the notice.

Regarding the calculation of the notice period, the date of the meeting shall not be included. The above requirements on notice method and notice period can be waived upon approval by all shareholders of the Company in writing.

**Article 82** The notice of a general meeting shall include the following contents:

- (1) the time, venue and duration of the meeting;
- (2) the matters and proposals to be considered at the meeting;
- (3) a clear statement that all shareholders are entitled to attend the general meeting and may appoint a proxy in writing to attend and vote on their behalf, and that such proxy need not be a shareholder of the Company;
- (4) the record date for determining the shareholders entitled to attend the general meeting;
- (5) the name and telephone number of the designated contact person for the meeting.
- (6) sufficient information and explanation to enable shareholders to make informed decisions on the matters to be discussed. This principle includes (without limitation) providing the specific conditions and contracts of the proposed transaction (if any) and a detailed explanation of its causes and consequences in the case of a merger, share repurchase, share capital restructuring, or other restructuring;
- (7) if any Director, general manager or other senior management has a material interest in a matter to be discussed, the nature and extent of such interest shall be disclosed. If the effect of the matter on such Director, general manager or other senior management as a shareholder differs from its effect on other shareholders, such difference shall be explained;
- (8) the full text of any special resolution proposed to be passed at the meeting;
- (9) the time and venue for delivery of the proxy form for voting at the meeting;
- (10) the date on which the notice is issued;
- (11) any such information required by laws, administrative regulations, departmental rules, the regulatory rules of the stock exchanges of places where the Company's shares are listed, or these Articles of Association.

The notice or supplementary notice of the general meeting shall include all contents required by the regulatory rules of the stock exchanges of places where the Company's shares are listed and the Articles of Association, and shall fully and completely disclose and explain all specific contents of the proposals. If the matters to be discussed require the opinion of independent Directors, the notice or supplementary notice of the general meeting shall simultaneously disclose the opinions and reasons of the independent Directors.

The interval between the record date and the date of the meeting shall not exceed seven working days. Once the record date is determined, it may not be changed.

**Article 83** Where the election of Directors is scheduled to be discussed at a general meeting, the notice of the general meeting shall sufficiently disclose the particulars of the Director candidates, including at least the following contents:

- (1) personal information including education background, work experience and part-time job;
- (2) whether there exists any connected relationship with the Company, shareholders holding 5% or more of the Company's shares, the Company's controlling shareholder and actual controllers, or other Directors, and senior management of the Company;
- (3) his/her shareholding in the Company;
- (4) whether he/she has received any punishment from the CSRC and other relevant authorities and any penalty and warning from stock exchanges.

Unless Directors are elected through cumulative voting, each Director candidate shall be proposed as a separate proposal.

**Article 84** Unless otherwise provided by laws, regulations, the Hong Kong Listing Rules and these Articles of Association, the notice of a general meeting shall be delivered to shareholders (whether or not they have voting rights at the meeting) either in person or by prepaid mail to the address recorded in the register of members. For holders of domestic shares, the notice of a general meeting may also be given by way of announcement.

For the purposes of the preceding paragraph, an announcement shall be published in one or more newspapers designated by the competent securities authority under the State Council 15 days (for an extraordinary general meeting) or 20 days (for an annual general meeting) prior to the meeting. Once published, the notice shall be deemed to have been received by all holders of domestic shares.

Provided that all requirements under applicable laws, administrative regulations, departmental rules and the regulatory rules of the stock exchanges of places where the Company's shares are listed are complied with and the relevant procedures are fulfilled, the notice of a general meeting may be published on the designated website of the Hong Kong Stock Exchange and the Company's website in lieu of delivery by hand or prepaid mail. Once published, the notice shall be deemed to have been received by all shareholders of the Company.

**Article 85** If a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or if such person has not received the notice of meeting shall not render the meeting and any resolutions made therein invalid.

**Article 86** After the notice of the general meeting is issued, the general meeting shall not be postponed or cancelled, and the proposals set out in such notice shall not be cancelled without valid reasons. Where a general meeting has to be postponed or cancelled, the convener shall state the relevant reasons at least 2 working days before the original date of the general meeting.

## Section 5 Convening of General Meetings

**Article 87** The Board of Directors and other conveners of the Company shall take necessary measures to ensure the normal conduct of the general meeting. Any acts that disrupt the general meeting, provoke disturbances, or infringe upon the legitimate rights and interests of shareholders shall be deterred, and promptly reported to the relevant authorities for investigation and handling.

**Article 88** All shareholders or their proxies registered on the record date shall have the right to attend the general meeting (whether in person or by means of technology in a virtual manner) and exercise their voting rights in accordance with relevant laws, regulations, the regulatory rules of the stock exchanges of places where the Company's shares are listed, and these Articles of Association.

Shareholders may attend the general meeting in person or appoint a proxy to attend (whether in person or by means of technology in a virtual manner) and vote on their behalf. Any shareholder who is entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (whether or not a shareholder) as his/her proxy to attend (whether in person or by means of technology in a virtual manner) and vote on his/her behalf. For the avoidance of doubt, shareholders may vote by electronic means (if such means are provided).

**Article 89** If an individual shareholder attends the meeting in person, he/she shall present his/her identity card or other valid proof or evidence of his/her identity. If the shareholder appoints a proxy to attend the meeting on his/her behalf, such proxy shall provide his/her own valid identity card and the power of attorney from the shareholder.

If a legal person shareholder attends the meeting, it shall be represented by its legal representative or a proxy authorized by its legal representative. If the legal representative attends the meeting, he/she shall present his/her identity card and valid proof of his/her status as legal representative. If a proxy is appointed to attend the meeting, the proxy shall present his/her own identity card and a written power of attorney issued in accordance with the law by the legal representative of the legal person shareholder. (Except for the shareholder being a Recognized Clearing House (or its nominee) as defined by the relevant ordinances from time to time in force in Hong Kong)

**Article 90** The power of attorney issued by shareholders authorizing others to attend the general meeting shall include the following contents:

- (1) the name of the proxy;
- (2) whether or not the proxy has any voting right;
- (3) respective instructions to vote for or against or abstain from each item included in the agenda of the general meeting;
- (4) date of issuance and validity period of the power of attorney;
- (5) signature (or seal) of the principal; If the principal is a corporate shareholder, the seal of the legal entity shall be affixed;
- (6) the number of shares represented by the proxies of shareholders.

**Article 91** The power of attorney shall indicate whether the shareholder's proxy can vote according to his/her own will if the shareholder does not provide specific instructions.

**Article 92** Where a shareholder authorizes another person to sign a proxy statement for voting, the power of attorney for such signing authority or other authorization documents shall be notarized. The original notarized proxy statement for voting shall be sent to the address designated by the Company 5 days before the meeting is convened. The notarized power of attorney or other authorization documents, as well as the voting proxy authorization letter, shall be logged at the Company's residence or other designated place in the notice convening the meeting.

If the principal is a legal person, the legal representative or person authorized by the Board of Directors or other decision-making body shall attend the general meeting of the Company as a representative.

If a shareholder is a Recognized Clearing House (or its nominee) as defined by the relevant ordinances from time to time in force in Hong Kong, it may authorize one or more persons as it thinks fit to act as its representative(s) at any general meeting or meeting of creditors. However, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is authorized. The power of attorney shall be signed by an authorized person of the Recognized Clearing House. Any person so authorized shall be entitled to attend the meeting (without producing proof of shareholding, and upon providing notarized authorization and/or further evidence confirming their formal authority), and shall enjoy the same statutory rights as other shareholders, including the right to speak and vote.

**Article 93** The attendance register for the meeting shall be prepared by the Company. The register shall include the name (or entity name), identity card number, address, number of voting shares held or represented, and the name (or entity name) of the principal of each attendee.

**Article 94** The convener shall verify the validity of the qualifications of shareholders based on the register of members, and shall register the names of shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

**Article 95** All Directors and the secretary to the Board of Directors shall attend the general meeting of the Company, while the general and other senior management shall be present at the meetings as non-voting delegates. Where any of such persons is unable to attend the meeting for any reasons, he/she may delegate another person to attend the meeting on his/her behalf in writing. The power of attorney shall specify the name of the proxy, the entrusted matters, the scope of authorization and validity period, and shall be signed or sealed by such person who authorizes.

**Article 96** The chairman of the Board of Directors shall act as the chairman of the general meeting. If the chairman of the Board of Directors is unable or fails to perform his/her duties, a Director jointly elected by more than half of the Directors shall act as the chairman of the general meeting.

The chairman of the Audit Committee shall act as the chairman of a general meeting convened by the Audit Committee itself. If the chairman of the Audit Committee is unable or fails to perform his/her duties, a member of the Audit Committee jointly elected by more than half of members of the Audit Committee shall act as the chairman of the general meeting.

Where a general meeting is convened by shareholders themselves, the chairman of the meeting shall be elected by the conveners.

Where the chairman of the meeting violates the rules of procedure during the general meeting and renders it impossible for the meeting to continue, the shareholders present at the meeting may by majority vote elect a person as the chairman of the meeting to proceed with the meeting.

**Article 97** The Company shall formulate the Rules of Procedure for the General Meeting, which specify the procedures for convening of and voting at the meeting, including notice, registration, review of proposals, voting, vote counting, announcement of voting results, adoption of resolutions, minutes-taking and signing thereof, as well as the principles under which the Board of Directors is authorized by the general meeting. The scope of such authorization shall be clear and specific. The Rules of Procedure for the General Meeting shall be formulated by the Board of Directors and approved at the general meeting.

**Article 98** The Board of Directors and the Audit Committee shall report on their work during the preceding year at the annual general meeting.

**Article 99** Directors and senior management shall provide explanations and clarifications regarding inquiries and suggestions made by shareholders at the general meeting, except under the following circumstances:

- (1) the inquiry is irrelevant to the agenda items of the meeting;
- (2) the matter involved in the inquiry requires further verification;
- (3) the inquiry involves trade secrets of the Company;
- (4) other legitimate causes.

**Article 100** The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the general meeting.

**Article 101** The general meeting shall be recorded in minutes, for which the secretary to the Board of Directors shall be responsible.

The minutes of a general meeting shall record the following contents:

- (1) the date, venue and agenda items of the meeting, and the name of the convener;
- (2) the name of the chairman of the meeting, and the Directors, general manager and other senior management attending or present as non-voting delegates at the meeting;
- (3) the number of such shareholders and the proxies thereof attending the general meeting, the number of voting shares held by them, and the proportion thereof to the total shares of the Company;

- (4) the process of deliberation in respect of each proposal, highlights of speeches and the voting results;
- (5) details of the inquiries or suggestions made by shareholders, and the corresponding response or explanations;
- (6) the names of the parties responsible for vote counting and scrutiny;
- (7) other contents that shall be recorded in the minutes in accordance with these Articles of Association.

**Article 102** The convener shall ensure the meeting minutes are true, accurate and complete. The attending Directors, secretary to the Board of Directors, convener or representative thereof, and the chairman of the meeting shall sign the minutes of the meeting. The minutes of the meeting, the signed attendance record of those shareholders present in person and the powers of attorney of those attending by proxy, as well as valid information relating to the voting via online, communication or other means shall be kept together for 10 years.

**Article 103** The convener shall ensure that the general meeting is held continuously until final resolutions are arrived at. In case of force majeure or other special circumstances cause the adjournment of the general meeting or inability to pass resolutions at the general meeting, immediate action shall be taken to resume the general meeting as soon as possible or the general meeting shall be directly terminated, and such termination shall be announced in time. Meanwhile, the convener shall report to the authorities delegated by the CSRC in the place where the Company is located and the stock exchange.

## **Section 6 Voting and Resolutions at the General Meeting**

**Article 104** The resolutions of the general meeting are divided into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by votes representing more than half of the voting rights carried by the shareholders (including their proxies) present at the general meeting.

A special resolution shall be passed by votes representing more than two-thirds of the voting rights carried by the shareholders (including their proxies) present at the general meeting.

**Article 105** The following matters shall be passed by ordinary resolution at the general meeting:

- (1) work reports of the Board of Directors;
- (2) the profit distribution plan and loss recovery plan formulated by the Board of Directors;
- (3) appointment or dismissal of the members of the Board of Directors, and their remuneration and payment methods;

- (4) other matters other than those required by laws, administrative regulations, or these Articles of Association to be passed by special resolution.

**Article 106** The following matters shall be passed by special resolution at the general meeting:

- (1) increase or decrease in registered capital of the Company;
- (2) division, spin-off, merger, dissolution and liquidation of the Company;
- (3) amendments to these Articles of Association;
- (4) purchase or sale of material assets by the Company within one year or the amount of guarantees to others exceeds 30% of the Company's latest audited total assets;
- (5) equity incentive schemes;
- (6) other matters required by laws, administrative regulations, departmental rules, regulatory rules of places where the Company's shares are listed or these Articles of Association, as well as those determined by ordinary resolution of the general meeting with significant impact on the Company, and which require special resolutions to be passed.

**Article 107** Shareholders attending the general meeting shall express one of the following opinions on the proposal to be voted on: for, against, or abstain. The securities registration and clearing institution shall be the nominee holder of shares on the mutual access mechanism of the Mainland and Hong Kong stock markets (if any), except where declaration is made in accordance with the actual holder's intent.

Any unfilled, improperly filled or illegible votes or votes that are not cast shall be considered as abstentions from voting by shareholders. Its respective shares shall be counted as "abstain" in the voting results.

**Article 108** Shareholders (including their proxies) shall exercise their voting rights based on the number of voting shares they represent. Each share carries one vote, unless specific shareholders are required under the Hong Kong Listing Rules to abstain from voting on particular matters. When voting, shareholders (including their proxies) with two or more votes are not required to cast all their votes uniformly for or against a resolution.

Any shareholder who, pursuant to the Hong Kong Listing Rules, is required to abstain from voting or is restricted to voting only for or against a specific matter must abstain from voting or vote as required. Any vote cast by or on behalf of such a shareholder in violation of these requirements or restrictions shall not be counted in the voting results.

Shares held by the Company in itself carry no voting rights, shall not be included in the total number of voting shares present at the general meeting, and shall not be deposited in the Central Clearing and Settlement System. If any shareholder is required under the Hong Kong Listing Rules to abstain from voting on a resolution or is restricted to voting only for or against it, any vote cast by such shareholder or their proxies in violation of these requirements or restrictions shall not be counted.

Where laws, administrative regulations, or the regulatory rules of the stock exchanges of places where the Company's shares are listed require a shareholder to abstain from voting on a proposal or restrict his/her vote to either for or against, any vote cast by such shareholder or his/her proxy in violation of these requirements or restrictions shall not be counted in the voting results.

**Article 109** When matters related to connected transactions (as defined in the Hong Kong Listing Rules) are deliberated at the general meeting, connected shareholders and their close associates (as defined in the Hong Kong Listing Rules) shall not participate in voting, and the number of voting shares they represent shall not be counted in the total number of valid votes. The resolutions of the general meeting shall fully disclose the voting results of non-connected persons.

The procedures for the abstention and voting of shareholders with connected relationships in the deliberation of connected transaction matters at the general meeting are as follows:

- (1) If a matter under deliberation at the general meeting involves a connected relationship with a shareholder, such connected shareholder shall disclose the connected relationship to the Board of Directors before the general meeting and apply for abstention;
- (2) Other informed shareholders have the right to apply in writing for abstention of the connected shareholder before the meeting. Non-connected shareholders have the right to request the abstention of the connected shareholder. If the shareholder proposed for abstention or other shareholders disagree with the determination of the matter as a connected transaction, the requirement for abstention, or the waiver of voting rights, they may request the Board of Directors to convene an extraordinary meeting to resolve in this regard. If the dissenting party remains unsatisfied, they may apply for resolution through legally recognized means after the general meeting;
- (3) If the chairman of the meeting is subject to abstention, the attending Directors or shareholders shall request the abstention of the chairman of the meeting and the connected shareholders, and elect a temporary chairman of the meeting (the temporary chairman of the meeting shall be approved by more than half of the voting shares held by non-connected shareholders present at the meeting);
- (4) When deliberating on a connected transaction proposal, the chairman of the meeting shall announce the connected relationship between the relevant shareholder and such connected transaction matter;
- (5) The chairman of the meeting shall explicitly announce the abstention of connected shareholders, and the connected transaction matter shall be voted on by non-connected shareholders;

- (6) When a resolution on a connected transaction proposal is formed, depending on whether it is an ordinary resolution or a special resolution, it shall be passed by more than half or two-thirds of the valid voting rights held by non-connected shareholders present at the meeting;
- (7) If a connected shareholder fails to disclose the connected information and abstain on the connected transaction matter in accordance with the above procedures, the general meeting has the right to revoke any resolution related to the connected transaction matter.

If special circumstances prevent the abstention of a connected shareholder, the Company may, after obtaining approval from the relevant authorities, proceed with voting in accordance with normal procedures. However, the votes of non-connected shareholders shall be specifically counted, and a valid resolution may only be formed if it is passed by more than half of the voting rights held by non-connected shareholders.

**Article 110** The Company shall, on the premise of ensuring a valid general meeting, provide convenience for shareholders to attend the general meeting through various means and channels, including providing communication, online voting platforms and other modern information technology means.

**Article 111** Save that the Company is under exceptional circumstances such as crisis, unless approved by way of special resolution at a general meeting, the Company shall not enter into any contracts with any person other than Directors, the general manager and other senior management under which the management of all or a substantial part of the business of the Company will be transferred to such person.

**Article 112** The list of candidates for Directors shall be proposed for voting in the form of proposals at the general meeting.

The nomination methods and procedures for Directors are as follows:

- (1) The Board of Directors, or shareholders individually or jointly holding 3% or more of the voting shares of the Company, may nominate candidates for Directors;
- (2) The Board of Directors, or shareholders individually or jointly holding 1% or more of the issued shares of the Company, may nominate candidates for independent Directors;
- (3) When nominating Directors or independent Directors, shareholders shall submit the nomination proposal, particulars of the nominated candidates, and the candidates' statements or commitments to the Board of Directors no later than 10 days before the general meeting.

When voting on the election of Directors at the general meeting, cumulative voting may be implemented in accordance with the provisions of these Articles of Association or a resolution of the general meeting.

If Directors are elected by cumulative voting at the general meeting, the voting for independent Directors and non-independent Directors shall be conducted separately.

Cumulative voting, as referred to in the preceding paragraph, refers to a system in which each share carries a number of votes equal to the number of Directors to be elected at the general meeting. The voting rights owned by shareholders may be cumulatively used. The Board of Directors shall announce the biographies and basic information of the Director candidates to shareholders.

Detailed rules for the implementation of the cumulative voting system shall be drafted by the Board of Directors and approved by the general meeting, with the aim of fully protecting the legitimate rights and interests of minority shareholders in the election of Directors.

**Article 113** Except for cumulative voting, all proposals at the general meeting shall be voted on item by item. Where different proposals relate to the same matter, they shall be voted on in the order of when they are proposed. Unless force majeure or other special circumstances cause the adjournment of the general meeting or inability to pass resolutions at the general meeting, no proposal shall be postponed or left unvoted at the general meeting.

**Article 114** No change of the proposal by the general meeting shall be allowed in the course of deliberating proposal at the meeting; otherwise, any amendment made to such proposal shall be considered as a new proposal, which shall not be eligible for voting at the same meeting.

**Article 115** Each voting right shall be exercised either at the meeting, or via communication, online or any other means of voting. If the same voting right is exercised repeatedly, the first vote cast shall prevail.

**Article 116** The general meeting adopts a registered voting method.

**Article 117** Two shareholder representatives shall be appointed for vote counting and scrutiny before voting on proposals at the general meeting. In the event that a shareholder is interested in a proposal to be deliberated, such shareholder or his/her proxy shall not be appointed for vote counting and scrutiny.

When voting on proposals at the general meeting, the vote counting and scrutiny shall be jointly conducted by shareholder representatives, member representatives of the Audit Committee, and other relevant parties appointed in accordance with the regulatory rules of places where the Company's shares are listed. The voting results shall be announced on the spot and recorded in the meeting minutes.

Shareholders of the Company or their proxies' casting votes via online, communication or other means shall be entitled to check their respective voting results through corresponding voting systems.

**Article 118** The on-site general meeting shall not close earlier than that held online or by communication or other means. The chairman of the meeting shall announce the voting results on each proposal and decide whether a proposal has been passed or not based on its respective results.

The Company, parties responsible for vote counting and scrutiny, substantial shareholder, internet service provider and other parties involved in on-site, online or other kinds of voting at the general meeting shall be obliged to keep the voting status confidential.

**Article 119** The chairman of the meeting shall be entitled to organize the counting for the votes if he/she challenges the voting result for any resolution. Provided that no counting has been organized by the chairman, such shareholders or their proxies attending the meeting who challenge the result of voting, shall be entitled to require an immediate count upon the announcement of the voting result. A second round of counting shall be immediately organized by the chairman.

The results of vote counting at the general meeting shall be recorded in the minutes of the meeting. Such minutes of meeting, together with the signatures of the shareholders attending meeting and the powers of attorney concerning the proxies attend the meeting on behalf of others, shall be kept at the domicile of the Company.

**Article 120** A resolution of the general meeting shall specify the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held by them and the proportion thereof to the total voting shares of the Company, the voting method adopted, the voting results for each proposal, and the details of the resolutions passed.

**Article 121** If a proposal is not passed, or if a resolution of a previous general meeting is amended at the current general meeting, a special note shall be included in the resolution of the general meeting.

**Article 122** Unless otherwise specified in the resolution of the general meeting, newly elected Directors shall assume office immediately upon the proposals regarding the election of relevant Directors are passed at the general meeting.

**Article 123** Where any proposal regarding cash dividend distribution, bonus issue or conversion of capital reserve into share capital is passed at the general meeting, the specific proposal shall be implemented within 2 months after the conclusion of the general meeting.

## **Chapter 5 Board of Directors**

### **Section 1 Directors**

**Article 124** Directors of the Company are natural persons. None of the following persons shall serve as a Director of the Company:

- (1) a person who has no civil capacity or has limited civil capacity;
- (2) a person who has been sentenced to criminal punishment for corruption, bribery, encroachment on property, misappropriation of property or sabotage of the order of the socialist market economy, and less than five years have elapsed since the completion of the sentence, or having been deprived of his/her political rights as a result of a criminal conviction and five years have not elapsed since the date on which execution of the sentence was completed;

- (3) a person who has served as a director, factory chief, or manager of an insolvent and liquidated company or enterprise and is held personally liable for such bankruptcy, and three years have not elapsed since the date when the insolvency and liquidation of the company or enterprise is completed;
- (4) a person who has served as the legal representative of a company or enterprise whose business license has been revoked or ordered to close down due to any violation of law, and is held personally liable for the revocation, and three years have not elapsed since the date when the revocation occurs;
- (5) a person who has a relatively large sum of debt, which was not paid at maturity;
- (6) a person who has been banned from entering the securities market by the CSRC and the deadline has not expired;
- (7) other contents stipulated by laws, administrative regulations or departmental rules.

The election or appointment of a Director shall be invalid if such election, appointment or employment is against this Article. If a Director falls into the situations provided in this Article during his/her term of office, he/she would be dismissed by the Company.

**Article 125** Directors shall be elected or replaced by the general meeting and may be dismissed by the general meeting before expiry of their term of office. A Director shall serve a term of three years, and can be re-elected and reappointed at the end of his/her term of office.

The term of office of a Director shall be calculated from the date of appointment until the expiry of his/her term of office of the current Board of Directors. If the term of office of a Director expires without timely re-election, the original Director shall continue to perform his/her duties in accordance with laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected Director assumes office.

Subject to relevant laws, regulations, and regulatory rules of places where the Company's shares are listed, any person appointed by the Board of Directors to fill a temporary vacancy or to serve as an additional Director shall hold office only until the first annual general meeting of the Company following his/her appointment and shall be eligible for re-election.

The general manager or other senior management may concurrently serve as Directors. However, the total number of Directors holding senior management positions and Directors held by employee representatives shall not exceed half of the total number of Directors of the Company.

The procedures for the selection and appointment of Directors are detailed in the Rules of Procedure for the General Meeting.

Unless otherwise provided by laws, regulations, or the regulatory rules of places where the Company's shares are listed, the shareholders of the Company shall have the right to remove any Director (including any executive Director) before expiry of his/her term of office by passing an ordinary resolution at a general meeting; provided, however, that such removal shall not affect any claim for damages that such Director may have under any contract.

**Article 126** Directors shall observe laws, administrative regulations, the regulatory rules of places where the Company's shares are listed and these Articles of Association, and owe the following fiduciary duties to the Company:

- (1) not to abuse their official powers to accept bribes or other unlawful income, and not to expropriate the assets of the Company;
- (2) not to misappropriate the capital of the Company;
- (3) not to open in their own names or in others' names any account for the purpose of depositing any of the Company's assets or capital;
- (4) not to lend monies of the Company to others or provide guarantees for others with the property of the Company in contravention of these Articles of Association or without the consent of the general meeting or the Board of Directors;
- (5) not to conclude any contract or conduct any transaction with the Company in contravention of these Articles of Association or without the consent of the general meeting;
- (6) not to take advantage of their positions to seek for themselves or others business opportunities that are due to the Company, or conduct for themselves or others any businesses similar to those of the Company without the consent of the general meeting;
- (7) not to receive as their own commission for transaction with the Company;
- (8) not to disclose secret of the Company without authorization;
- (9) not to use their related party relationships to damage the interests of the Company;
- (10) such other fiduciary duties stipulated by laws, administrative regulations, departmental rules and these Articles of Association.

Any income derived by a Director in violation of this Article shall belong to the Company. Such Director shall be liable for indemnifying the Company against any loss incurred.

**Article 127** Directors shall observe laws, administrative regulations, the regulatory rules of places where the Company's shares are listed and these Articles of Association, and owe the following due diligence duties to the Company:

- (1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure that the business operations of the Company comply with the national laws, administrative regulations and various national economic policies and are not beyond the scope of business specified in the business license of the Company;
- (2) to treat all shareholders impartially;
- (3) to keep informed of the business operations and management of the Company in a timely manner;

- (4) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;
- (5) to honestly provide the Audit Committee with the relevant circumstances and information, and not to prevent the Audit Committee or members of the Audit Committee from exercising their functions and powers;
- (6) such other due diligence duties stipulated by laws, administrative regulations, departmental rules and these Articles of Association.

**Article 128** If a Director fails to attend two consecutive meetings of the Board of Directors in person (participation in the meetings of the Board of Directors or voting via communication means shall be deemed as attending in person) and does not appoint another Director to attend on his/her behalf, he/she shall be deemed unable to perform his/her duties, and the Board of Directors shall recommend that the general meeting remove such Director.

**Article 129** A Director may resign before expiry of his/her term of office. When a Director resigns, he/she shall submit a written resignation notice to the Board of Directors.

If the resignation of a Director results in the number of the Board of Directors of the Company falling below the statutory minimum, or if the resignation of an independent Director results in the number of independent Directors to be less than one-third of the members of the Board of Directors or results in the absence of any independent Director with accounting or relevant financial management expertise meeting regulatory requirements, the original Director shall continue to perform his/her duties in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and these Articles of Association until the newly elected Director assumes office. The resignation report of such Director shall only take effect after a successor Director fills the vacancy arising from his/her resignation.

Except for the circumstances specified in the preceding paragraph, a Director's resignation shall take effect upon delivery of his/her resignation report to the Board of Directors.

**Article 130** After his/her resignation takes effect or his/her term of office expires, a Director shall complete all handover procedures with the Board of Directors. His/her fiduciary duties owed to the Company and shareholders shall not terminate automatically upon expiry of his/her term of office, but shall remain in effect for one year after his/her resignation takes effect or his/her term of office expires. The Director's obligation to maintain the confidentiality of the Company's trade secrets shall continue to be effective after expiry of his/her term of office until such secrets become publicly known.

**Article 131** Except as specified in these Articles of Association or properly authorized by the Board of Directors, no Director shall act on behalf of the Company or the Board of Directors in his/her own capacity. If a Director acts in his/her own capacity but a third party may reasonably believe that such Director is acting on behalf of the Company or the Board of Directors, such Director shall make a prior statement of his/her stance and capacity.

**Article 132** If a Director violates any laws, administrative regulations, departmental rules, the regulatory rules of places where the Company's shares are listed or these Articles of Association during performing his/her duties of the Company and causes losses to the Company, such Director shall be liable for compensation. In the case of an independent Director, such liability shall be determined in accordance with the relevant provisions of laws, administrative regulations, and departmental rules.

**Article 133** The Company has independent Directors (equivalent to independent non-executive Directors as defined in the regulatory rules of places where the Company's shares are listed). Matters relating to the qualifications, nomination and election procedures, term of office, resignation, and authority of independent Directors shall be implemented in accordance with the relevant provisions of laws, administrative regulations, departmental rules, and the regulatory rules of places where the Company's shares are listed. Unless otherwise provided in this chapter, the provisions of these Articles of Association regarding the qualifications and obligations of Directors shall apply to independent Directors.

**Article 134** Independent Directors shall perform their duties faithfully and safeguard the interests of the Company, with particular attention to ensuring that the legitimate rights and interests of public shareholders are not impaired, so as to guarantee that the interests of all shareholders are fully represented. The authority and related matters concerning independent Directors shall be implemented in accordance with laws, administrative regulations, departmental rules, and the regulatory rules of places where the Company's shares are listed.

## **Section 2 Board of Directors**

**Article 135** The Company has a Board of Directors, accountable to the general meeting.

**Article 136** The Board of Directors shall consist of five Directors, including three independent Directors. At least one of the independent Directors shall possess appropriate professional qualifications as required by the regulatory rules of places where the Company's shares are listed, or shall have appropriate accounting or relevant financial management expertise.

**Article 137** The Board of Directors shall be accountable to the general meeting and exercise the following functions and powers:

- (1) to convene general meetings and report to the general meetings;
- (2) to implement resolutions of the general meetings;
- (3) to decide on the Company's business plans and investment plans;
- (4) to formulate the Company's profit distribution plans and plans on making up losses;
- (5) to formulate proposals for the increase or reduction of registered capital, the issuance of bonds or other securities, and listing for the Company;
- (6) to formulate plans for the Company's major acquisition, purchase the shares of the Company, or merger, division, dissolution or change of corporate form of the Company;
- (7) to decide on matters such as external investments, acquisition or disposal of assets, mortgage of assets, external guarantees, entrusted wealth management, related party transactions, and external donations of the Company within the scope of authorization by the general meeting;
- (8) to decide on establishment of internal management organs of the Company;

- (9) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board of Directors and other senior management, and decide on matters of their remuneration and rewards and punishments; to decide on the appointment or dismissal of the Company's deputy general manager, financial controller and other senior management according to the nomination of the general manager and decide on matters of their remuneration and rewards and punishments;
- (10) to formulate the basic management system of the Company;
- (11) to formulate proposals to amend these Articles of Association;
- (12) to manage the Company's information disclosures;
- (13) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;
- (14) to receive reports on the work of the Company's general manager and to inspect the work of the general manager;
- (15) such other functions and powers conferred by laws, administrative regulations, departmental rules, regulatory rules of places where the Company's shares are listed, these Articles of Association or the general meeting.

The Board of Directors of the Company shall establish an audit committee to exercise the functions and powers of the Supervisory Committee as provided for in the Company Law. The Company can, as necessary, establish other special committees such as strategy and development, nomination, and remuneration and appraisal committees. The special committees shall be accountable to the Board of Directors and shall perform their duties in accordance with these Articles of Association and the authorization of the Board of Directors. Their proposals shall be submitted to the Board of Directors for review and decision. All members of the special committees shall be composed of Directors. In the audit committee, nomination committee, and remuneration and appraisal committee, independent Directors shall constitute the majority and serve as the chairmen. The chairman of the audit committee shall be an accounting professional. The Board of Directors shall be responsible for formulating the working procedures for the special committees to regulate their operations.

Matters beyond the scope of authorization of the general meeting shall be submitted by the Board of Directors to the general meeting for deliberation.

**Article 138** The Board of Directors shall make an explanation to the general meeting on any non-standard audit opinions issued by the certified public accountants on the financial reports of the Company.

**Article 139** The Board of Directors shall formulate the Rules of Procedure for the Board of Directors to ensure the implementation of resolutions of the general meeting, enhance its operational efficiency and guarantee scientific decision-making. The Rules of Procedure for the Board of Directors, which shall serve as an annex to the Articles of Association, shall be drafted by the Board of Directors and approved at the general meeting.

**Article 140** The Board of Directors shall establish the scope of authority for external investments, acquisition or disposal of assets, mortgage of assets, external guarantees, entrusted wealth management, and related party transactions, and shall implement rigorous review and decision-making procedures. Major investment projects shall be evaluated by relevant experts and professionals and submitted to the general meeting for approval.

The Board of Directors shall have the following scope of authority in decision-making:

- (1) Where the total assets involved in the transaction (taking the higher of book value and appraised value, if both exist) or the transaction amount accounts for more than 10% but not more than 50% of the Company's total audited assets in the most recent fiscal year;
- (2) Where the net assets involved in the transaction or the transaction amount accounts for more than 10% but not more than 50% of the absolute value of the Company's audited net assets in the most recent fiscal year or exceeds RMB30 million but not more than RMB100 million;
- (3) Guarantee matters not covered under Article 66 of these Articles of Association;
- (4) Financial assistance matters not covered under Article 68 of these Articles of Association;
- (5) Financing matters where the single or cumulative amount within 12 consecutive months accounts for more than 10% but not more than 30% of the Company's latest audited net assets;
- (6) such other functions and powers conferred by laws, administrative regulations, departmental rules or these Articles of Association.

Where data involved in the above criteria is negative, the absolute value shall be taken for calculation.

**Article 141** The Board of Directors has one chairman. The chairman of the Board of Directors shall be elected by more than half of all Directors.

**Article 142** The chairman of the Board of Directors shall exercise the following functions and powers:

- (1) to preside the general meeting, and to convene and preside the meeting of the Board of Directors;
- (2) to urge and examine the implementation of resolutions of the Board of Directors;
- (3) to execute the certificates of shares, bonds and other negotiable securities of the Company;
- (4) to sign major documents of the Board of Directors;

- (5) in the event of an emergency caused by force majeure such as exceptionally severe natural disasters, to exercise special handling powers over the Company's affairs in compliance with laws and in the interests of the Company, and to report thereafter to the Board of Directors and the general meeting;
- (6) such other functions and powers conferred by the Board of Directors, laws, administrative regulations, and the regulatory rules of places where the Company's shares are listed.

**Article 143** If the chairman of the Board of Directors is unable or fails to perform his/her duties, a Director jointly elected by more than half of the Directors shall perform such duties.

**Article 144** The Board of Directors shall hold at least two meetings each year, convened by the chairman of the Board of Directors. Written notice shall be given to all Directors at least 10 days prior to the meeting.

**Article 145** The Board of Directors shall conduct its deliberations by convening meetings of the Board of Directors. Meetings of the Board of Directors comprise regular meetings and extraordinary meetings. The Board of Directors shall hold at least two regular meetings each year, convened by the chairman of the Board of Directors. Written notice shall be given to all Directors at least 10 days prior to the meeting. Regular meetings of the Board of Directors do not include approvals obtained by circulation of written resolutions. Shareholders representing more than one-tenth of the voting rights, one-third or more of the Directors, or the Audit Committee may propose the convening of an extraordinary meeting of the Board of Directors. The chairman of the Board of Directors shall convene and preside over a meeting of the Board of Directors within 10 days after receiving such a proposal.

**Article 146** The notice for convening an extraordinary meeting of the Board of Directors may be delivered by hand, facsimile, mail, email, announcement, or other means. The notice period shall be at least 3 days prior to the meeting.

In the event of particularly urgent circumstances requiring the convening of a meeting of the Board of Directors, the above requirements regarding the form and timing of the notice may be waived.

**Article 147** The notice of the meeting of the Board of Directors shall at least include the following contents:

- (1) the date and venue of the meeting;
- (2) the duration of the meeting;
- (3) the cause and the agenda items;
- (4) the method by which the meeting is to be conducted;
- (5) the contact person of the meeting and his/her contact details;
- (6) the convener and chairperson of the meeting, and the proposer of an extraordinary meeting along with his/her written proposal;

- (7) the meeting materials necessary for Directors to cast their votes;
- (8) the requirement that Directors shall attend the meeting in person or appoint another Director to attend on their behalf;
- (9) the date on which the notice is issued.

Verbal meeting notices shall include at least items (1), (2) and (3) above, as well as an explanation of the urgent circumstances requiring the prompt convening of an extraordinary meeting of the Board of Directors.

**Article 148** The meeting of the Board of Directors should be attended by more than half of the Directors before it can be held. A resolution made by the Board of Directors must be passed by a majority of all Directors. When the Board of Directors reviews the Company's external guarantee matters, such resolutions must be passed by more than two-thirds of all Directors.

The voting on the resolutions of the Board of Directors shall be based on one person, one vote.

**Article 149** Where a Director is related to an enterprise involving in a resolution to be discussed in the meeting of the Board of Directors, such Director shall neither exercise his/her voting right on such resolution nor exercise the voting right on behalf of other Directors. Such meeting of the Board of Directors may be held with the attendance of over half of the non-related Directors, and the resolution made at such meeting must be passed with the approval of over half of the non-related Directors. Where the number of non-related Directors is less than three, such matters shall be submitted to the general meeting for consideration.

**Article 150** Except as permitted under the Hong Kong Listing Rules, where a Director or any of his/her close associates (as defined in the Hong Kong Listing Rules) has a material interest in or is related to a proposal of the Board of Directors, such Director shall neither exercise his/her voting right on such resolution nor exercise the voting right on behalf of other Directors, and shall not be counted in the quorum for the meeting when the Board of Directors deliberates on such matters. Such meeting of the Board of Directors may be held with the attendance of over half of the non-related Directors attending the meeting, and the resolution made at such meeting must be passed with the approval of over half of the non-related Directors. Where the number of non-related Directors is less than three, such matters shall be submitted to the general meeting for consideration.

**Article 151** Resolutions of the Board of Directors shall be voted on by a show of hands or by signed written ballot.

Extraordinary meetings of the Board of Directors may be conducted and resolutions may be passed via online, communication, or other means, provided that Directors are guaranteed full opportunity to express their opinions, and attending Directors shall sign the resolutions. However, regular meetings of the Board of Directors, or meetings reviewing matters in which the substantial shareholder or a Director has a material conflict of interest, or other circumstances specified by laws and regulations, the regulatory rules of places where the Company's shares are listed, or the Articles of Association, shall not be conducted by means of communication for voting.

**Article 152** Directors shall attend the meetings of the Board of Directors in person. Where a Director is unable to attend the meeting for any reasons, he/she may delegate another Director to attend the meeting on his/her behalf in writing. The power of attorney shall specify the name of the proxy, the entrusted matters, the scope of authorization and validity period, and shall be signed or sealed by the Director who authorizes. The Director who attends the meeting on behalf of another Director shall exercise the duties of Directors within the scope of authorization. In the event that a Director does not attend a meeting of the Board of Directors in person and does not appoint a proxy to attend the meeting, such Director shall be deemed to have waived his/her voting rights at the meeting.

**Article 153** The Board of Directors shall keep the minutes of its decisions on the matters discussed at the meeting, and all Directors attending the meeting shall sign on the minutes.

Minutes of the meetings of the Board of Directors shall be kept as the files of the Company for a period of 10 years.

**Article 154** The minutes of the Board of Directors shall consist of the following:

- (1) the date and venue of the meeting and the name of the convener;
- (2) the names of the Directors present and names of Directors being appointed to attend the meeting on the other's behalf (proxy);
- (3) the agenda items of the meeting;
- (4) the main points of Directors' speeches;
- (5) the voting method of each resolution and the results (the results shall specify the number of votes for, against and abstaining).

## **Chapter 6 General Manager and Other Senior Management**

**Article 155** The Company has one general manager and one president, appointed or dismissed by the Board of Directors.

The Company may have several vice presidents, appointed or dismissed by the Board of Directors.

The general manager, president, chief operating officer, vice presidents, chief technology officer, chief human resources officer, chief financial officer, chief marketing officer, financial controller, and secretary to the Board of Directors are considered the senior management of the Company.

**Article 156** The provisions of these Articles of Association regarding the circumstances under which a person may not serve as a Director shall also apply to the senior management.

The provisions of these Articles of Association regarding the fiduciary and due diligence duties of Directors shall also apply to the senior management.

**Article 157** The general manager shall be appointed for a term of three years subject to re-appointment.

**Article 158** The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

- (1) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report his/her works to the Board of Directors;
- (2) to organize the implementation of the Company's annual business plans and investment plans;
- (3) to draft plans for the establishment of the Company's internal management organization;
- (4) to draft the Company's basic management system;
- (5) to formulate the specific rules and regulations of the Company;
- (6) to propose to the Board of Directors appointment or dismissal of vice presidents and financial controller of the Company;
- (7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;
- (8) to prepare plans for salary, welfare, incentive and penalty, and to decide the employment and dismissal of employees of the Company;
- (9) transactions that do not meet the thresholds specified in these Articles of Association for review and approval by the general meeting or the Board of Directors;
- (10) such other functions and powers conferred by these Articles of Association or the Board of Directors.

The general manager shall attend the meetings of the Board of Directors as a non-voting delegate. A general manager who is not a Director of the Company shall not have the right to vote at the meetings of the Board of Directors.

**Article 159** The general manager shall formulate detailed working rules for the general manager shall and other senior management, and seek the approval from the Board of Directors before implementation thereof.

**Article 160** The detailed working rules for the general manager shall include:

- (1) the conditions, procedures and attendees for convening a meeting of the general manager;
- (2) the respective specific duties and division of responsibilities among the general manager and other senior management;
- (3) the authority for the application of the Company's funds and assets, the execution of major contracts, and the mechanisms for reporting to the Board of Directors and the Supervisory Committee;
- (4) such other matters as the Board of Directors may think necessary.

**Article 161** The general manager may resign before expiry of his/her term of office. The specific procedures and measures regarding the resignation of the general manager shall be governed by the engagement contract between the general manager and the Company.

**Article 162** Vice presidents shall assist the general manager in his/her duties, and shall be appointed or dismissed by the Board of Directors after being nominated by the general manager.

**Article 163** The Company shall establish a secretary to the Board of Directors, responsible for the preparation of the Company's general meeting and Board of Directors' meeting, retention of documents, management of the Company's shareholder materials, handling of information disclosure matters, and other matters. The secretary to the Board of Directors shall comply with the provisions of laws, administrative regulations, departmental rules and these Articles of Association. The secretary to the Board of Directors shall attend the meetings of the Board of Directors and the general meeting as a non-voting delegate.

**Article 164** Directors of the Company or other senior management may serve as the secretary to the Board of Directors concurrently. However, the accountants of the accountant firm engaged by the Company shall not serve as the secretary to the Board of Directors concurrently.

**Article 165** In the event that an act shall be made respectively by Directors and the secretary to the Board of Directors, a person serving both as a Director and the secretary to the Board of Directors shall not make such an act by relying on his/her dual identity.

**Article 166** If a senior management member violates any laws, administrative regulations, departmental rules and these Articles of Association during performing his/her duties of the Company and causes losses to the Company, such senior management member shall be liable for compensation.

The senior management of the Company shall faithfully perform their duties and safeguard the maximum interests of the Company and all shareholders. If the senior management of the Company fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and the public shareholders, they shall be liable for compensation in accordance with the law.

## **Chapter 7 Financial and Accounting System, Profit Distribution and Audit**

### **Section 1 Financial and Accounting System**

**Article 167** The Company shall formulate its financial and accounting system in accordance with laws, administrative regulations, and relevant national departments.

**Article 168** The Company shall prepare an annual financial and accounting report within 4 months from the end of each fiscal year, prepare an interim financial and accounting report within 2 months from the end of the first 6 months of each fiscal year, and prepare a quarterly financial and accounting report within 1 month from the end of first 3 months and first 9 months of each fiscal year, respectively.

The above financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations and departmental rules.

**Article 169** The Board of Directors shall submit financial reports prepared by the Company as are required by relevant laws, regulations, rules or normative documents, to the shareholders at every annual general meeting.

The financial reports referred to in the preceding paragraph shall include the report of the Board of Directors together with the balance sheet (including all documents required to be annexed under the PRC laws or other laws and administrative regulations) and the profit and loss statement (income statement) or the statement of income and expenditure (cash flow statement), or (where not in violation of the relevant PRC laws) a summary financial report approved by the Hong Kong Stock Exchange.

The financial reports of the Company shall be made available for the inspection of shareholders at the Company at least 21 days before the date of annual general meeting. Every shareholder of the Company shall be entitled to obtain a copy of the financial reports referred to in this chapter.

Unless otherwise provided in these Articles of Association, the Company shall, at least 21 days before the date of annual general meeting and in any event no later than 4 months after the end of the relevant fiscal year, deliver or send by prepaid post the aforementioned reports or the report of the Board of Directors together with the balance sheet (including every document required to be annexed under the law) and the profit and loss statement or the statement of income and expenditure to every holder of overseas listed shares at the address registered in the register of members. However, for holders of overseas listed shares, such documents may be delivered by publication on the Company's website, the website of the Hong Kong Stock Exchange, and other websites as prescribed from time to time under the Hong Kong Listing Rules, in compliance with the requirements of laws, administrative regulations, and the securities regulatory authorities of places where the Company's shares are listed.

**Article 170** In addition to the PRC accounting standards and regulations, the financial statements of the Company shall also be prepared in accordance with the international accounting standards or the accounting standards of places outside the PRC where the Company's shares are listed. Any material discrepancy between the financial statements prepared in accordance with two different accounting standards shall be explained in the notes to the financial statements. Distribution of profits after tax of the relevant fiscal year shall be based on the lower of the profits after tax shown in the two financial statements mentioned above.

**Article 171** Interim results or financial information published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations as well as international accounting standards or the accounting standards of places outside the PRC where the Company's shares are listed.

**Article 172** The Company shall submit, disclose, and/or present to the shareholders documents such as annual reports, interim reports, and preliminary results announcements in accordance with the laws and regulations of places of its listing, the listing rules of the stock exchanges of places where the Company's shares are listed, and other normative documents.

**Article 173** The Company shall not keep accounts other than those required by laws. The assets of the Company shall not be kept under the name of any individual.

**Article 174** In distributing its current-year after-tax profits, the Company shall allocate 10% of its profit to its statutory reserve fund. Allocations to Company's statutory reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company's registered capital.

Where the statutory reserve fund is not sufficient to cover any loss made by Company in the previous year, the current year's profit shall be used to cover such loss before any allocation is made to the statutory reserve fund pursuant to the preceding paragraph.

After an allocation to the statutory reserve fund has been made from the after-tax profit of the Company, and subject to the adoption of a resolution by the general meeting, an allocation may be made to the discretionary reserve fund.

The remaining after-tax profit after the Company makes up for losses and withdraws reserve fund shall be distributed according to the proportion of shares held by shareholders, unless otherwise provided in these Articles of Association.

If the general meeting violates the provisions of the preceding paragraph by distributing profits to shareholders before the Company makes up for losses and withdraws the statutory reserve fund, shareholders must return the profits distributed in violation of the regulations to the Company.

Profits shall not be distributed to shares held by the Company itself.

**Article 175** The Company's reserve fund is used to compensate for its losses, expand its production and operation, or convert it into an increase in the Company's capital. However, the capital reserve fund must not be used to cover the Company's losses.

After converting statutory reserve funds into capital, the amount remaining in the statutory reserve fund shall be no less than 25% of the Company's registered capital.

**Article 176** After the profit distribution plan has been adopted at the general meeting, the Board of Directors shall complete the dividend (or share) distribution within two months after the conclusion of the general meeting.

**Article 177** The profit distribution of the Company shall emphasize providing reasonable investment returns to investors, and the profit distribution policy shall maintain continuity and stability. The Company may distribute dividends in cash or shares and may distribute interim cash dividends, provided that the total profit to be distributed shall not exceed the accumulated distributable profits. Cash dividend distributions shall comply with the relevant provisions of applicable laws and regulations, be proposed by the Board of Directors based on the Company's operations, and submitted to the general meeting for review and approval. If the Board of Directors fails to propose a cash profit distribution plan, it shall disclose the reasons to the shareholders and explain the use of funds retained by the Company instead of being distributed as dividends. Independent Directors shall express their independent opinions in this regard. In the event of misappropriation of funds of the Company by any shareholders, the Company shall deduct the cash dividends attributable to such shareholders to such extent as to repay the above funds.

## **Section 2 Internal Audits**

**Article 178** The Company shall adopt an internal audit system and designate auditors to supervise the internal audits of incomes and expenses as well as the business activities of the Company.

**Article 179** The internal audit system of the Company and the duties of auditors shall come into effect upon the approval of the Board of Directors. The person in charge of audits shall be accountable to and report to the Board of Directors.

## **Section 3 Appointment of Accounting Firm**

**Article 180** The Company shall engage an accounting firm that is qualified to engage in the securities related business to audit the financial statements, verify the net assets, and provide other relevant consultancy services. The term of employment is one year and can be renewed.

**Article 181** The appointment of an accounting firm by the Company must be decided by at the general meeting, and the Board of Directors shall not appoint an accounting firm before the decision is made at the general meeting.

**Article 182** The accounting firm appointed by the Company shall have the following rights:

- (1) to inspect the accounting books, records or vouchers of the Company at any time, and to require the Directors, general manager or other senior management of the Company to provide relevant information and explanations;
- (2) to require the Company to take all reasonable measures to obtain from its subsidiaries such information and explanations as are necessary for the discharge of the duties of the accounting firm;
- (3) to attend shareholders' meetings, receive any meeting notices or other information related to the meetings that shareholders are entitled to receive, and to speak on matters concerning its role as the Company's accounting firm at any shareholders' meeting.

**Article 183** If the position of the Company's accounting firm becomes vacant, the Board of Directors may temporarily engage an accounting firm to fill such vacancy prior to convening the general meeting but such engagement shall be confirmed at the following general meeting. Any other accounting firm which has been engaged by the Company may continue to perform its duties during the period in which a vacancy exists.

In the event that a resolution for engaging an accounting firm which is not being engaged to fill in any vacancy of an accounting firm is proposed to be passed at the general meeting, or for re-appointing an accounting firm appointed by the Board of Directors to fill in any vacancy of an accounting firm, or for dismissing an accounting firm prior to the expiry of the term of office, the following provisions shall be met:

- (1) Prior to the delivery of the notice of the general meeting, such proposal regarding the appointment or dismissal shall be delivered to such accounting firm which is to be appointed or to leave, or which has left the office during the relevant accounting year. Leaving office shall include the dismissal or resignation of appointment and leaving of its position.
- (2) In the event that the accounting firm leaving the position has made a written statement and requests the Company to inform the shareholders of such statement, the Company should adopt the following measures unless it has received the written statement too late:
  1. in the notice issued for making a resolution, it is expressly stated about the accounting firm leaving the position having made a statement;
  2. a copy of such statement shall be made as an attachment to the notice delivered to the shareholders entitled to receive the notice of the general meeting in the manner as provided in these Articles.
- (3) In the event that the Company fails to deliver the statement of the relevant accounting firm pursuant to the provisions of item (2) above, the relevant accounting firm may request to read out such statement at the general meeting and shall further make an appeal.
- (4) The accounting firm leaving its position shall be entitled to attend the following meetings:
  1. the general meeting during its term of office which is to expire;
  2. the general meeting for filling a vacancy caused by the dismissal of such accounting firm;
  3. the general meeting convened due to the voluntary resignation of such accounting firm.

Such accounting firm leaving the position shall have the right to receive all notices regarding the foregoing meetings and other information related to the meetings and shall have the right to speak at the foregoing meetings about the matters involving such firm being the previous accounting firm of the Company.

**Article 184** The Company guarantees to provide the accounting firm it engages with true and complete accounting vouchers, accounting books, financial and accounting reports, and other accounting materials, and shall not refuse, conceal, or falsely report.

**Article 185** The remuneration of the accounting firm or the way in which the firm is to be remunerated shall be determined at the general meeting.

**Article 186** When the Company dismisses or no longer renews the appointment of an accounting firm, the accounting firm shall be notified 30 days in advance. When the dismissal of an accounting firm is voted at the general meeting of the Company, the accounting firm is allowed to state its opinions.

If the accounting firm proposes to resign, it shall explain to whether the Company has any improper circumstances at the general meeting.

An accounting firm may resign its office by depositing a written resignation notice at the legal address of the Company. Resignation of the accounting firm shall become effective on the date of such deposit or on such later date stipulated in such notice. Such notice shall contain the following statements:

- (1) a statement to the effect that there are no circumstances in connection with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or
- (2) a statement of any other circumstances requiring an explanation.

Where the written notice referred to in the preceding paragraph is deposited, the Company shall within 14 days send a copy of the notice to the relevant competent authority. If the notice contains a statement mentioned in item (2) of the preceding paragraph, a copy of such statement shall be placed at the Company for shareholders' inspection, and shall also send a copy of such statement to every shareholder entitled to receive a report on the financial condition of the issuer.

Unless otherwise specified by these Articles of Association, the Company shall also send a copy of such statement by prepaid mail to every holder of overseas listed shares at the address registered in the register of members, or, within the aforementioned time limit, publish such statement on the website of the stock exchanges of places where the Company's shares are listed or in one or more newspapers designated by it or stipulated by the Articles of Association, in compliance with applicable laws, regulations and the Hong Kong Listing Rules.

If the notice of resignation of an accounting firm contains a statement mentioned in item (2) of the third paragraph of this Article, the accounting firm may require the Board of Directors to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances in connection with its resignation.

## Chapter 8 Notice

**Article 187** A notice of the Company shall be sent by:

- (1) hand;
- (2) mail;
- (3) announcement;
- (4) announcement on the newspapers and other designated media;
- (5) making announcement in the Company's website or the websites designated by the stock exchanges of places where the Company's shares are listed in accordance with the laws, administrative regulations, departmental rules, normative documents and the Articles of Association;
- (6) other means recognized by the securities regulatory authorities of places where the Company's shares are listed or stipulated in the Articles of Association.

The Articles of Association do not prohibit serving notices to shareholders whose registered addresses are outside Hong Kong.

Where a notice is served by way of announcement, after the publication of such announcement, all related persons shall be deemed to have received the notice. If the securities regulatory authorities of places where the Company's shares are listed have alternative provisions, such provisions shall prevail.

Notwithstanding any provisions in the Articles of Association regarding the delivery or notification of documents, notices, or other corporate communications, the Company may, in compliance with the relevant regulations of the securities regulatory authorities of places where the Company's shares are listed, opt to use the notification method specified in item (5) of the first paragraph of this Article to disseminate corporate communications, in lieu of serving written documents to each shareholder via delivery by hand or prepaid mail. Such corporate communications refer to any documents issued or to be issued by the Company for shareholders' reference or action, including but not limited to annual reports (including annual financial reports), interim reports (including interim financial reports), Directors' reports (together with balance sheets and profit and loss statements), notices of general meetings, circulars, and other communication materials. Regarding the methods by which the Company provides or distributes corporate communications to shareholders as required by the Hong Kong Listing Rules, and subject to compliance with the laws and regulations of the places where the Company's shares are listed, the Listing Rules, and these Articles of Association, corporate communications may be sent to shareholders via the Company's designated and/or the Hong Kong Stock Exchange's website, or by electronic means. Such corporate communications refer to any documents issued or to be issued by the Company for the reference or action of shareholders or other persons required by the Hong Kong Listing Rules, including but not limited to annual reports (including the Directors' report, the Company's annual accounts, the auditors' report, and the financial summary report (if applicable)), the Company's interim reports and interim summary reports (if applicable), notices of meetings, listing documents, circulars, proxy forms, etc. If the Hong Kong Listing Rules require the Company to send, mail, distribute, issue, publish, or otherwise provide relevant documents of the Company in both English and Chinese versions, the Company may (based on the expressed preference of the shareholders) deliver only the English version or only the Chinese version to the relevant shareholders, provided that the Company has made appropriate arrangements to determine whether the shareholders wish to receive only the English version or only the Chinese version, and to the extent permitted by applicable laws, administrative regulations, departmental rules, and normative documents.

If authorized to serve notices by way of advertisement, such advertisements may be published in newspapers, and there is no prohibition against serving notices to shareholders whose registered addresses are outside Hong Kong.

**Article 188** Where a notice is served by way of announcement, after the publication of such announcement, all related persons shall be deemed to have received the notice.

**Article 189** Any notice for convening a general meeting of the Company shall be delivered by hand, facsimile, mail, email, public announcement, telephone, or other means.

**Article 190** Any notice for convening a meeting of the Board of Directors of the Company shall be delivered by hand, facsimile, mail, email, public announcement, telephone, or other means.

**Article 191** For any notice served by hand, the addressee shall sign or seal with chop on the receipt slip and the date of delivery shall be the date of the confirmation of receipt by such addressee. For any notice served by mail, the date of delivery shall be the fifth working day upon the delivery to the post office. For any notice delivered by email, the date of delivery shall be the date on which the email reaches the addressees' designated email addresses. For any notice delivered by an announcement, the date of delivery shall be the date on which such announcement is initially published.

**Article 192** If a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or if such person has not received the notice of meeting shall not render the meeting and any resolutions made therein invalid.

**Article 193** If the regulatory rules of places where the Company's shares are listed require the Company to send, mail, distribute, issue, publish, or otherwise provide relevant documents of the Company in both English and Chinese versions, the Company may (based on the expressed preference of the shareholders) deliver only the English version or only the Chinese version to the relevant shareholders, provided that the Company has made appropriate arrangements to determine whether the shareholders wish to receive only the English version or only the Chinese version, and to the extent permitted by applicable laws, regulations, and the regulatory rules of places where the Company's shares are listed.

**Article 194** The Company shall publish announcements and disclose information to shareholders on the newspapers and websites designated by laws, administrative regulations, or relevant domestic regulatory authorities for information disclosure. If an announcement is required to be published to shareholders under the Articles of Association, such announcement shall also be published in accordance with the methods stipulated in the Hong Kong Listing Rules on designated newspapers, websites, and/or the Company's website. All notices or other documents that the Company is required to submit to the Hong Kong Stock Exchange under Chapter 13 of the Hong Kong Listing Rules must be prepared in English or accompanied by a signed and certified English translation.

## **Chapter 9 Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation**

### **Section 1 Merger, Division, Capital Increase and Capital Reduction**

**Article 195** Merger of the Company may take the form of absorption or establishment of a new company.

In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by establishment of a new company, two or more companies merge into a new one and the parties to the merger are dissolved.

**Article 196** In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the resolution for the merger and shall publish an announcement on the newspapers and websites designated for information disclosure of the Company within 30 days. Creditors may demand the Company to settle its debts or provide a guarantee for such debts within 30 days from the date of receiving the notice, or within 45 days from the date of announcement if they have not received the notice.

**Article 197** Upon the merger, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

**Article 198** When the Company is divided, its assets shall be split up accordingly.

In case of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the resolution for the division and shall publish an announcement on the newspapers and websites designated for information disclosure of the Company within 30 days.

**Article 199** Debts of the Company prior to division shall be jointly assumed by the companies which exist after the division, except provided otherwise in the written agreement between the Company and the creditors relating to the settlement of debt before the division.

**Article 200** When the Company is in the need of reducing its registered capital, it must prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days from the date of the resolution for reducing its registered capital and shall publish an announcement on the newspapers and websites designated for information disclosure of the Company within 30 days. Creditors have the right to demand the Company to settle its debts or provide a guarantee for such debts within 30 days from the date of receiving the notice, or within 45 days from the date of announcement if they have not received the notice.

The reduced registered capital of the Company shall not be lower than the statutory minimum limit.

**Article 201** Changes in particulars of the companies after merger or division must be registered with the company registration authority in accordance with the laws. Cancellation of a company shall be registered in accordance with the laws when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with the laws.

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

## **Section 2 Dissolution and Liquidation**

**Article 202** The Company shall be dissolved for any of the following reasons:

- (1) the expiration of the business term specified in the Articles of Association or the occurrence of other dissolution reasons specified in these Articles of Association;
- (2) the general meeting resolves for dissolution;
- (3) dissolution is required due to the merger or division of the Company;
- (4) the business license has been revoked, ordered to close down or dissolved in accordance with the law; and
- (5) the Company is dissolved by a people's court in response to the request of shareholders holding shares that represent more than 10% of the voting rights of all shareholders, on the grounds that there are serious difficulties in the operation and management of the Company and its continued existence will cause significant losses to the interests of shareholders, which cannot be resolved through other means.

**Article 203** Upon the occurrence of the situation described in Article 202 (1) of these Articles of Association, the Company may continue to exist by amending these Articles of Association.

Amendments to these Articles of Association pursuant to the preceding paragraph shall be subject to the approval of shareholders representing two-thirds or above of the voting rights present at the general meeting.

**Article 204** If the Company is dissolved due to Article 202 (1), (2), (4) and (5) of these Articles of Association, a liquidation committee shall be established within 15 days from the date of the occurrence of the dissolution reasons to begin liquidation. The liquidation committee is composed of Directors or any other person determined by the general meeting. If a liquidation committee is not established within the prescribed time limit for liquidation, creditors may apply to the people's court to designate relevant personnel to form a liquidation committee for liquidation.

**Article 205** The liquidation committee shall perform the following duties during the liquidation:

- (1) to check the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (2) to notify creditors by notice or announcement;
- (3) to deal with the outstanding affairs of the Company in relation to the liquidation;
- (4) to settle outstanding taxes as well as taxes arising in the course of liquidation;
- (5) to settle credit claims and debts;
- (6) to dispose of the remaining assets of the Company after the settlement of debts;
- (7) to represent the Company in any civil proceedings.

**Article 206** The liquidation committee shall notify creditors within 10 days from the date of its establishment and make a public announcement on the National Enterprise Credit Information Publicity System within 60 days, with at least three announcements in the newspaper. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receiving the notice, or within 45 days from the date of announcement if they have not received the notice.

When declaring their claims, creditors shall describe the matters relating to such claims and provide related supporting materials. The liquidation committee shall register such claims.

When creditors declare their claims, the liquidation committee shall not pay off such creditors.

**Article 207** After checking the Company's assets, preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the general meeting or the people's court for confirmation.

The remaining assets of the Company after paying the liquidation expenses, employee salaries, social insurance expenses, and statutory compensation, paying the outstanding taxes, and paying off the Company's debts shall be distributed by the Company according to the proportion of shares held by shareholders.

During the liquidation period, the Company exists but cannot carry out business activities unrelated to liquidation. The Company's assets will not be distributed to shareholders until they have been paid off in accordance with the provisions of the preceding paragraph.

**Article 208** Upon liquidation of the Company's property and preparation of a balance sheet and an inventory of assets, if the liquidation committee becomes aware that the Company does not have sufficient assets to meet its liabilities, it must apply to a people's court for a declaration of bankruptcy in accordance with the laws.

Following such declaration of bankruptcy by the people's court, the people's court shall take over the administration of the liquidation procedure from the liquidation committee.

**Article 209** After the liquidation of the Company is completed, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the people's court for confirmation, and submit it to the company registration authority to apply for deregistration of the Company, and announce the termination of the Company.

**Article 210** Members of the liquidation committee shall perform their duties with due diligence and carry out their liquidating obligations in accordance with laws.

Members of the liquidation committee shall not abuse their powers to accept bribes or other illegal income or misappropriate the property of the Company.

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

**Article 211** Liquidation of a company which is declared bankrupt according to laws shall be processed in accordance with the laws on corporate bankruptcy.

## **Chapter 10 Alternations to the Articles of Association**

**Article 212** In any of the following circumstances, the Company shall amend the Articles:

- (1) after the revision of the Company Law or relevant laws and administrative regulations, the matters stipulated in the Articles conflict with the provisions of the revised laws and administrative regulations;
- (2) the situation of the Company changes and is inconsistent with the matters recorded in the Articles;
- (3) the general meeting has decided to amend the Articles.

**Article 213** Where the amendments to the Articles passed by the general meeting require approval of competent authorities, the amendments shall be submitted to the relevant authorities for approval. If such amendments involve any registered particulars of the Company, application shall be made for change of registration in accordance with laws.

**Article 214** The Board of Directors shall amend these Articles of Association in accordance with the resolution of the general meeting to amend the Articles and the approval opinions of relevant competent authorities.

**Article 215** Amendments to the Articles constitute the information required to be disclosed under laws and regulations, and shall be disclosed in accordance with relevant provisions.

## Chapter 11 Miscellaneous

### Article 216 Definitions

- (1) The term “controlling shareholder” shall have the meaning given to it in Article 63 of these Articles of Association.
- (2) The term “actual controller” refers to a person who, although not a shareholder of the Company, is capable of actually dominating the Company through investment relationships, agreements, or other arrangements.
- (3) The term “connected relationship” shall have the meaning given to it in the Hong Kong Listing Rules. The term “connected transaction” shall have the meaning given to it in the Hong Kong Listing Rules.
- (4) The term “audit committee” used in the Articles of Association shall have the same meaning as “audit committee” used in the Company Law; the terms “accounting firm” and “remuneration and appraisal committee” in the Articles of Association shall have the same meaning as those of “auditor” and “remuneration committee” in the Hong Kong Listing Rules. Unless otherwise expressly referred to in the relevant national laws and administrative regulations and rules of the stock exchange(s) on which the shares of the Company are listed, the term “independent directors” in the Articles of Association shall have the same meaning as “independent non-executive directors” in the Hong Kong Listing Rules.

**Article 217** The Board of Directors may formulate by-laws in accordance with the provisions of the Articles, provided that such by-laws shall not be in violation of the Articles.

**Article 218** These Articles of Association are written in Chinese. In case of any inconsistency between these Articles of Association and the articles of association in any other language or of different version, the latest Chinese version of the Articles of Association approved by and registered with the company registration authority shall prevail.

**Article 219** In these Articles of Association, the terms “**or above**”, “**within**” and “**or below**” shall be inclusive of the given figure, while the terms “**not exceeding**”, “**except**”, “**less than**”, “**more than**” and “**over**” shall be exclusive of the given figure.

**Article 220** Matters not covered in these Articles of Association shall be handled in accordance with laws, administrative regulations, and the relevant provisions of the securities regulatory authority of places where the Company’s shares are listed, taking into account the actual circumstances of the Company. In the event of any conflict between these Articles of Association and any laws, administrative regulations, other relevant normative documents, or the regulatory rules of the stock exchanges of places where the Company’s shares are listed and the Hong Kong Listing Rules, the provisions of such laws, administrative regulations, other relevant normative documents, and the listing rules of the stock exchanges of places where the Company’s shares are listed shall prevail.

**Article 221** Unless otherwise specified, the term “**RMB**” in these Articles of Association refers to Renminbi.

**Article 222** The Board of Directors of the Company shall be responsible for the interpretation of these Articles of Association.

**Article 223** The appendices to these Articles of Association include the Rules of Procedure for the General Meeting and the Rules of Procedure for the Board of Directors. In the event of any discrepancy between the Rules of Procedure for the General Meeting and the Rules of Procedure for the Board of Directors and these Articles of Association, the provisions of these Articles of Association shall prevail.

**Article 224** These Articles of Association were adopted by a special resolution of the general meeting of the Company and shall be effective on and be implemented from the date on which the H shares of the Company under the public offering are listed and commenced trading on the Main Board of the Hong Kong Exchange Stock. From the effective date of these Articles, the existing Articles of Association of the Company shall lapse automatically.