Chinese version of the Articles of Association shall prevail in case of discrepancies or inconsistencies

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(A 2022)

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1 For the purpose of protecting the legitimate rights and interests of China Railway Group Limited (" "), the Company's shareholders and creditors, and of standardizing the organization and activities of the Company, the Articles of Association of the Company ("**A** ") are hereby formulated in accordance with the Company Law of the People's Republic of China (" "), Securities Law of the People's Republic of China (" "), Special Regulations of the State Council concerning the Offering and Listing of Shares Overseas by Joint Stock Limited Companies (" "), Mandatory Provisions for Articles of Association of Companies Listing Abroad (" "), Official Reply of the State Council Regarding Adjusting the Application of Provisions to Matters Including the Notice Period for Convention of Shareholders' Meetings by Overseas Listed Companies, Guidelines for Corporate Governance of Listed Companies, Guidelines on Articles of Association of Listed Companies (" ") and the Constitution of the Communist Party of China as well as other relevant rules.

2 The Company is a company limited by shares established in accordance with the Company Law, the Securities Law, the Special Regulations and other relevant state laws and regulations.

The Company has been established by way of exclusive promotion with the approval from the State-owned Assets Supervision and Administration Commission of the State Council. The Company has undertaken registration with the State Administration for Industry and Commerce of the People's Republic of China (" ") and obtained its business license for enterprise legal person with the license number of 100000000041175 on 12 September 2007.

The promoter of the Company: China Railway Engineering Corporation.

On 28 December 2017, China Railway Engineering Corporation completed its enterprise reform registration and changed its company name to "China Railway Engineering Group Company Limited".

3 Registered name of the Company Chinese name: 中國中鐵股份有限公司
English name: China Railway Group Limited

4 Domicile of the Company: 918, Block 1, No.128 South 4th Ring Road West, Fengtai District, Beijing
Postal Code: 100070

5 The chairman of the board of directors shall be the legal representative of the Company.

6 The total capital of the Company shall be divided into shares of equal value. The respective liability of the shareholders shall be limited to the shares held by them. The Company shall be held liable for its debts with all its assets.

7 The Company is a perpetually existing joint stock limited company.

8 The Articles of the Company shall be a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date when it becomes effective. The Articles shall be legally binding upon the Company, its shareholders, directors, supervisors and senior management personnel. The aforesaid personnel have the right to claim their rights and assume relevant responsibilities in relation to the Company in accordance with the Articles.

Subject to the provision of Article 273 of the Articles, according to the Articles, the shareholders shall have the right to initiate legal proceedings against other shareholders; the shareholders shall have the right to initiate legal proceedings against directors, supervisors and senior management personnel of the Company; the shareholders shall have the right to initiate legal proceedings against the Company, and the Company shall have the right to initiate legal proceedings against the shareholders, directors, supervisors and senior management personnel.

The "legal proceedings" referred to in the preceding paragraph shall include filing suits to a court or applying for arbitration to an arbitration organization.

9 The Company may invest in other enterprises, provided that, unless otherwise provided by law, the Company may not assume joint and several liabilities for the debt of the invested enterprises as an investor.

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10 The purpose of the Company is to: comply with the laws and regulations, observe the social morals and business ethics, adhere to the scientific outlook on development, uphold the motto of "strive to overcome challenges and achieve excellence", pursue independent management, behave in a honest and trustworthy way, subject itself to supervision from the government and general public, strive to improve its economic results, assume social responsibilities and maximize the economic benefits for all shareholders.

11 The business scope of the Company shall be subject to the approval of the company registration authority.

The business scope of the Company covers: Contracting of civil engineering and construction, wiring, pipe fitting and equipment installation; sub-contracting of the survey, design, building, construction supervision, technology consultation, technology development, technology transfer and technical service in connection with abovementioned items; research, manufacturing, sales and leasing of machinery facilities, apparatus, component, steel girder, les anRy(4salesign, buing tngials Td(dioor2.6 ((and)06 (engine;r amporachipass06 ranvey,)]

As approved by the CSRC in Zhengjianxuke [2019] No. 913 Notice on 21 May 2019, the Company non-publicly issued 1,726,627,740 Renminbi-denominated ordinary shares for the purpose of acquiring assets by the issuance of shares. Upon completion of such issuance, the total share capital of the Company is 24,570,929,283 shares, including 20,363,539,283 Renminbi-denominated ordinary shares, representing 82.88%; and 4,207,390,000 overseas-listed foreign shares, representing 17.12%.

On 23 February 2022, the Company issued 170,724,400 restricted Renminbi-denominated ordinary shares to participants of the restricted share incentive scheme. Upon completion of such issuance, the total share capital of the Company is 24,741,653,683 shares, including 20,534,263,683 Renminbi-denominated ordinary shares, representing 82.99%; and 4,207,390,000 overseas-listed foreign shares, representing 17.01%.

19 The domestic listed domestic shares issued by the Company are centrally deposited at China Securities Depository and Clearing Corporation Limited.

20 Upon approval by the securities regulatory authority of the State Council of the Company's plan for issuing domestic listed domestic shares and overseas listed foreign shares, the board of directors of the Company may arrange for implementation of such plan by means of separate issues.

The Company's respective plans for issuing domestic listed domestic shares and overseas listed foreign shares in accordance with the preceding provision may be implemented respectively within fifteen (15) months upon the date of approval by the securities regulatory authority of the State Council.

21 Where the Company issues overseas listed foreign shares and domestic investment shares within the total shares defined in the issuance plan, every such issue of shares shall be fully subscribed at one time. Where special circumstances make it impossible for full subscription at one time, the shares may be issued in several stages, subject to approval of the securities regulatory authority of the State Council.

22 The registered capital of the Company shall be RMB24,741,653,683.

23 Unless otherwise provided by laws and regulations, shares in the Company are freely transferable pursuant to laws and are not subject to any lien.

24 The Company shall not accept the Company's share certificates as the subject of pledges.

25 Shares of the Company held by the promoter shall not be transferred within one year of the establishment date of the Company. Shares issued prior to the Company's public offering of shares shall not be transferred within one year of the date when the shares were listed for trading on a stock exchange.

Directors, supervisors and senior management personnel of the Company shall periodically

28 The Company may reduce the registered capital. Reduction of registered capital of the Company shall proceed in accordance with the Company Law and other relevant regulations as well as the Articles.

29 When the Company reduces its registered capital, it must prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days from the date of the Company's resolution for reduction of its registered capital and shall publish an announcement in a newspaper recognised by the security exchange where the shares of the Company are listed within thirty days of the date of such resolution. A creditor has the right within thirty days of receiving the notice from the Company or, in the absence of such notice, within forty five days of the date of the public announcement, to require the Company to repay its debts or provide a corresponding guarantee for such debt.

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32 Where the Company acquires its own shares due to the reason as set out in item (1) or (2) of the first paragraph of Article 30 of the Articles, it shall be resolved at a general meeting of shareholders. Where the Company acquires its own shares due to the reason as set out in item (3), (5) or (6) of the first paragraph of Article 30 of the Articles, the matter shall be resolved at a board meeting with the presence of more than two thirds of the directors through the adoption of a special resolution.

Where the Company acquires its own shares due to the reason as set out in item (1) of the first paragraph of Article 30 of the Articles, it shall cancel such shares within 10 days from the date of the acquisition. Where the Company acquires its own shares due to the reason as set out in item (2) or item (4) of the first paragraph of Article 30 of the Articles, it shall transfer or cancel such shares within six months. Where the Company acquires its own shares due to the reason as set out in item (3), (5) or (6) of the first paragraph of Article 30 of the Articles, the total number of its shares held by the Company shall not exceed 10% of its total issued shares, and such shares shall be transferred or cancelled within three years.

Where the laws and regulations or the listing rules of the securities exchange of the locality where shares of the Company are listed provide otherwise, such provisions shall prevail.

33 The acquisition of shares of the Company by an off-market agreement outside a stock exchange shall be subject to the prior approval of the general meeting of the shareholders in accordance with the Articles. The Company may rescind or vary a contract so entered into by the Company or waive its rights thereunder upon the prior approval of the general meeting of the shareholders obtained in the same manner.

For the purpose of the above paragraph, a contract to acquire shares shall include but not limited to an agreement where acquisition obligations are undertaken and where acquisition rights are acquired.

A contract for the Company to acquire its own shares or any rights thereunder is not assignable. The acquisition price for the shares which the Company is entitled to redeem shall, where the acquisition is conducted off-market or through a tendering process, be capped at a maximum price; and where the acquisition is conducted through a tendering process, the same conditions shall be offered to all shareholders.

34 The Company shall apply to the original company registration authority for the change in registration of registered capital when the Company acquires its own shares and cancels such shares.

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

35 Unless the Company has entered into a liquidation stage, it shall comply with the following provisions in relation to acquisition of its own issued and outstanding shares:

(1) Where the Company acquires its own shares at par value, the amount shall be deducted from the book balance of the distributable profits of the Company and the proceeds from the new shares to be issued for the purpose of purchasing the original shares;

(2) Where the Company acquires shares of the Company at a premium to its par value, the amount shall be deducted from the book balance of the distributable profits of the Company and the proceeds from the new shares to be issued for the purpose of purchasing the original shares. The amount of the portion in excess of the par value

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36 The Company or its subsidiaries (including the Company'

(5) provision of loans by the Company within its business scope and in normal business (provided that the provision does not lead to a reduction in the net assets of the Company or that even if it constitutes a reduction, the funding aid was paid out of the Company's distributable profits); and

(6) provision of fund by the Company for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Company or that even if it constitutes a reduction, the funding aid was paid out of the Company's distributable profits).

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39 The shares of the Company shall be in registered form.

The items to be stated in the share certificate shall include, in addition to those stipulated under the Company Law, other items that require to be stated in accordance with the requirements of the stock exchange on which the Company's shares are listed.

40 The share certificate shall be signed by the chairman of the board. W here the signatures of senior management personnel of the Company are required by the stock exchange on which the Company's shares are listed, the share certificate shall also be signed by the relevant senior management personnel. The share certificate of the Company shall come into force after the Company seal is affixed thereto or printed thereon. Affixing the seal of the Company on the share certificates shall be authorized by the board of directors. The signature of the chairman of board of directors or the relevant senior management personnel of the Company on the share certificates may also be in printed form. Stipulations of the securities regulatory authority where the Company's shares are listed shall be applicable in the case where shares of the Company are issued and transacted in a paperless manner.

41 The Company shall establish the register of shareholders in accordance with the documentary proof provided by the securities registry, and the register of shareholders is the sufficient proof showing that the shareholder holds the shares of the Company.

42 The Company may deposit the original register of shareholders of overseas listed foreign shares abroad and entrust a foreign proxy to manage it in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and overseas securities regulatory authorities. The original register of shareholders of overseas listed foreign shares that are listed in Hong Kong shall be kept in Hong Kong.

The Company shall keep a duplicate of the register of shareholders of overseas listed foreign shares at its domicile. The appointed foreign proxy shall ensure that the original and duplicate of the register of shareholders of overseas listed foreign shares are consistent at all time.

In case the original and duplicate of the register of shareholders of overseas listed foreign shares are inconsistent, the original shall prevail.

43 The Company shall keep a complete register of shareholders. The register of shareholders shall include the following parts:

(1) a register of shareholders deposited at the domicile of the Company other than those as defined in Articles 43(2) and 43(3);

(2) the register of shareholders of overseas listed foreign shares of the Company kept at the locality of the overseas stock exchange;

(3) the register of shareholders kept in such other places as the board of directors may decide necessary for listing purposes.

44 Each part of the register of shareholders shall not overlap with each other. In case of the transfer of certain registered shares in the register of shareholders, such shares shall not be registered into other parts of the register of shareholders during the period of continued existence of such shares.

Change or correction of each part of the register of shareholders shall be conducted in accordance with laws of the locality where each part of the register of shareholders is deposited.

45 All fully paid overseas listed foreign shares that are listed in Hong Kong may be fully transferrable pursuant to the Articles, provided that unless such transfer complies with the following conditions, the board of directors may refuse to acknowledge any transfer document without stating any reason thereof:

(1) any transfer document or other documents in connection with or affecting the share ownership shall be registered, and a fee of HK$2.5 per transfer document or any higher fee determined by the board of directors shall be paid to the Company in respect of such registration, provided that such fee shall not exceed the maximum fee determined by the Hong Kong Stock Exchange in its Listing Rules from time to time;

(2) the transfer documents only relate to the overseas listed foreign shares that are listed in Hong Kong;

(3) the stamp tax in relation to the transfer documents has been paid;

(4) the share certificate or other evidence reasonably required by the board of directors showing the transferor's right to transfer the shares;

(5) if the shares are to be transferred to joint holders, the number of joint holders may not exceed 4;

(6) the related shares are free from any lien relating to any company.

46 Registration of change in the register of shareholders due to shares transfer shall not be allowed before the general meeting of shareholders is held or within five (5) days prior to the base day on which the Company decides to distribute dividends. If alternate provisions are stipulated under laws, administrative regulations, departmental rules, normative documents and by the stock exchange or regulatory authority at the place where the shares of the Company are listed, such provisions shall prevail.

47 If the Company intends to hold general meeting of shareholders, distribute dividends, conduct liquidation or other activities where the shareholders' identities needs to be confirmed, the board of directors or the persons convening the general meeting of shareholders shall decide the record date. The shareholders recorded in the register after the market closes on the record date shall be the shareholders who are entitled to such interests.

48 Anyone who has dissidence over the register of shareholders and requests to register his/her name in the register of shareholders or to delete his/her name from the register of shareholders may apply to the competent court for correction of the register of shareholders.

49 If the share certificate (i.e. the "original share certificate") held by any shareholder registered in the register of shareholders or by any person who requests to register his/her name in the register of shareholders is lost, the shareholders may apply to the Company for reissuing of new share certificate concerning such shares (i.e. the "relevant shares").

Applications for reissuing of the share certificate from shareholders of domestic shares whose share certificate is lost shall be dealt with in compliance with relevant provisions of the Company Law.

Applications for reissuing of the share certificate from shareholders of overseas listed foreign shares whose share certificate is lost shall be dealt with in compliance with laws and regulations of the locality where the original register of shareholders of overseas listed foreign shares is deposited, rules of the stock exchange or other relevant regulations.

Where the share certificates held by shareholders of overseas listed foreign shares listed in Hong Kong are lost, the application for reissuing shall comply with the following requirements:

(1) the applicant shall file the application in the standard form specified by the Company and enclose the notarial deed or the statutory declaration documents. The notarial deed or the statutory declaration documents shall include the reason for the application, how the share certificate is lost and the proof, and the declaration that no one else may request to register as shareholder of the relevant shares.

(2) before the Company decides to reissue the new share certificate, the Company has not received any declaration that anyone except the applicant has requested to register as the shareholder of such shares.

(3) if the Company decides to reissue the new share certificate to the applicant, it shall publish a notice on reissuing such share certificate on the newspapers specified by the

52 Shareholders of the Company shall be persons who lawfully hold the shares of the Company and whose names are registered in the register of shareholders.

Shareholders shall enjoy rights and undertake obligations according to the class and number of shares held by them. Shareholders who hold the same class of shares shall enjoy equal rights and undertake equal obligations.

Shareholders holding different classes of shares in the Company shall enjoy equal rights in any distribution made in dividends or any other form.

In the case of joint shareholders,

(1) If one of the joint shareholders dies, then only the other living persons of the joint shareholders shall be deemed by the Company as the owners of the relevant shares, but the board of directors shall have the right to request them to provide the death certification documents that it deems appropriate for the purpose of amending the register of shareholders;

(2) for joint shareholders of any shares, only the joint shareholder who ranks first in the register of shareholders shall have the right to receive the relevant share certificate from the Company, to receive the notice from the Company, to attend the general meeting of shareholders of the Company and toapthmpan.hvoeetinl rightcone cnetive the relevanm Impang

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(5) obtaining relevant information in accordance with the Articles, including:

(i) obtaining the Articles after paying relevant cost;

(ii) reviewing and making copies of the following documents after paying reasonable costs:

(1) all parts of the register of shareholders;

(2) personal information of the directors, supervisors, senior management personnel of the Company, including:

(a) current and former name, alias;

(b) principal address (domicile);

(c) nationality;

(d) occupation and all other part-time jobs, duties;

(e) identification certificate and its number.

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

(4) report on the aggregate par value, quantity, highest price and lowest price of each class of shares acquired by the Company since the last fiscal year, as well as all the expenses paid by the Company therefor;

(5) the Company's bond stub, minutes of general meetings of shareholders, resolutions of meetings of board of directors, resolutions of meetings of supervisory committee and financial accounting reports.

(6) participating in the distribution of the Company's remaining property in proportion to the number of shares held by the shareholders when the Company is terminated or liquidated;

(7) any shareholder who has dissidence over the resolution for the merger or division of the Company made at general meetings of shareholders requesting the Company to acquire its shares;

(8) other rights conferred by laws, regulations or the Articles.

In case that any person directly or indirectly holding interests in the Company fails to disclose its interests to the Company, the Company may not, by reason of such failure, exercise its power to freeze or otherwise damage any right attached to such interests enjoyed by such person.

54 Shareholders shall submit to the Company written documents certifying the class and quantity of shares of the Company held by them when they intend to review the information or documents stated in Article 53. After the Company verifies the identity of such shareholders, it shall provide the information and documents as required by such shareholders and may charge reasonable fees for the provision of the aforesaid copies thereof.

55 If any provision in the resolutions of the general meeting of shareholders or of the board of directors of the Company conflicts with any laws and regulations, shareholders shall have the right to request the court to hold such provision invalid.

In the event that the convening procedures of the general meeting of shareholders or the board of directors or the voting procedures thereof contravene any law and regulation or the Articles, or the content of any resolution adopted at such meetings contravenes the Articles, the shareholders may, within 60 days of the date of adoption of a relevant resolution, apply to the court for rescission of such procedures.

56 If a director and senior management personnel violates the laws, regulations or the provisions of the Articles during the performance of his/her duties to the Company and incurs losses to the Company, the shareholders holding individually or in aggregate 1% or more of the shares of the Company for a continued period of 180 days or more shall have the right to request in writing the supervisory committee to initiate legal action in a court; if the supervisory committee violates the laws, regulations or the provisions of the Articles during the performance of its duties to the Company and incurs losses to the Company, the shareholders may request in writing the board of directors to initiate legal action in a court.

If the supervisory committee or board of directors rejects to initiate legal action after receipt of the written request of the shareholders stipulated in the preceding paragraph, or fails to initiate action within 30 days after the date of receipt of the request, or any failure to immediately initiate action will result in irreparable damage to the interests of the Company in case of emergency, the shareholders as prescribed in the preceding paragraph shall, for the benefit of the Company and in its/his/their own name, have the right to directly initiate legal action in a court.

Where any person infringes the lawful interests of the Company and causes losses to the Company, the shareholders as prescribed in the first paragraph of this Article may initiate legal action in a court in accordance with the provisions of the preceding two paragraphs.

57 Where a director or senior management personnel violates the laws and regulations or the provisions of the Articles, the shareholders may initiate legal action in a court.

58 Shareholders of ordinary shares of the Company shall undertake the following obligations:

(1) abiding by the laws, regulations and the Articles;

(2) making payment of the share capital according to the number of shares subscribed by them and the method of capital injection;

(3) not to withdraw its shares unless in accordance with the laws and regulations;

(4) not to abuse their rights as a shareholder in infringing the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company or his limited liability as a shareholder in infringing the interests of any creditor of the Company;

(5) other obligations imposed by laws, regulations and the Articles.

Any shareholder who abuses his rights as a shareholder and causes any loss to the Company or any other shareholder shall be liable for indemnification of such loss according to law.

Any shareholder who misuse the independent legal person status of the Company or his limited liability as a shareholder in evading debts and causes a serious damage to the interests of any creditor of the Company shall have a joint and several liability for the debts of the Company.

Shareholders shall not assume any responsibility for further capital contribution other than the conditions agreed to by the subscriber of the relevant shares on subscription.

59 If the shareholders holding 5% or more of the voting shares of the Company pledge their shares, they shall report in writing to the Company on the date of the pledge.

Except for the obligations as required by laws, regulations or the listing rules of the locality where shares of the Company are listed, the controlling shareholders shall not make any decisions that will impair the interests of all or some of the shareholders concerning the following aspects when they exercise their powers as shareholders by exercising their voting rights:

(1) exempting the responsibility of the director and the supervisor to act in good faith for the maximum benefit of the Company;

(2) approving the director and the supervisor to deprive the property of the Company (including but not limited to the opportunities favourable to the Company) in any form for their own benefits or for the benefits of others;

(3) approving the director and the supervisor to deprive the individual rights and interests of other shareholders (including but not limited to any distribution rights, voting rights, but excluding the restructuring the Company which is submitted to the general meeting of shareholders for approval in accordance with the Articles) for their own benefits or for the benefit of others.

61 The directors, supervisors and senior management personnel of the Company shall be obliged to ensure that the funds of the Company will not be misappropriated by the controlling shareholders. Where the directors or senior management personnel of the Company permit, by agreement or by connivance, the controlling shareholders or their affiliated enterprises to misappropriate the assets of the Company, the board of directors of the Company shall, upon the merits of the case, give disciplinary sanctions to the directly responsible person(s) and initial dismissal procedures against the directors who assume serious responsibility therefor. In case the controlling shareholders of the Company misappropriate the assets of the Company in any way (including but not limited to the owning of the assets of the Company), the board of the directors of the Company shall immediately apply, in the Company's name, to the people's court for judicially freezing the assets of the Company misappropriated by the controlling shareholders and the shares of the Company held by the controlling shareholders. If the controlling shareholders fail to reinstate or repay in cash the assets misappropriated by them, the Company shall have the right to have the assets of the Company misappropriated by the controlling shareholders repaid by realizing the shares in the Company held by these controlling shareholders in accordance with the laws, regulations, rules and procedures.

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62 The general meeting of shareholders is the organ of attorney of the Company and shall

63 The general meeting of shareholders shall exercise the following duties and powers:

(1) deciding on the business policies and investment plans of the Company;

(2) electing and replacing directors and supervisors not appointed from the employee representatives, and deciding on matters concerning their remuneration;

(3) considering and approving work reports of the board of directors and the supervisory committee;

(4) considering and approving the Company's annual financial budget and final account proposals;

(5) considering and approving the Company's plans for profit distribution and loss make-up;

(6) adopting resolutions concerning the increase or decrease of the Company's registered capital;

(7) adopting resolutions on merger, division, spin-off, dissolution, liquidation or change of corporate form of the Company;

(8) adopting resolutions on issuance of corporate bonds;

(9) adopting resolutions on engagement and dismissal of accounting firm;

(10) amending the Articles;

(11) considering and approving the guarantee matters provided in Article 64;

(12) considering the matters regarding the purchase and sale by the Company within one year of significant assets with a value of more than 30% of the latest audited total assets value of the Company;

(13) considering and approving the matters regarding change in use of proceeds;

(14) considering the share incentive plans;

(15) considering employee stock ownership plan;

(16) considering proposals raised by the shareholders representing more than 3% of the voting shares of the Company;

(17) considering the matters regarding affiliated transactions that shall be approved by the general meeting of shareholders as stipulated by the listing rules of the locality where the shares of the Company are listed;

(18) deciding on the out-of-budget expenses, entrusted wealth management, and external donations of the Company, except for those authorised to be decided by the board of directors;

(19) considering other matters that shall be approved by the general meeting of shareholders as stipulated by laws, regulations or the Articles.

64 The provision of the following external guarantee by the Company must be examined and adopted by the general meeting of shareholders:

(1) any external guarantee provided after the total amount of guarantee provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets value;

(2) any guarantee with a value of exceeding 30% of the latest audited total assets value of the Company calculated based on the principle of cumulative calculation within consecutive twelve (12) months;

(3) any guarantee with a value of exceeding 50% of the latest audited net assets value of the Company and with an absolute amount of more than RMB50,000,000, calculated based on the principle of cumulative calculation within consecutive twelve (12) months;

(4) any guarantee provided in favour of an external person or entity whose debt asset ratio has exceeded 70%;

(5) any single guarantee with a value of more than 10% of the latest audited net assets value;

(6) any guarantee provided in favour of the shareholders, the actual controller as well as its affiliates.

The guarantee in Article 64(2) shall be adopted by the general meeting of shareholders by special resolution.

65 Unless the Company is in crisis or under other special circumstances, it shall not enter into a contract with any person other than directors, supervisors and senior management personnel of the Company for the delegation of the whole business management or the important business management of the Company to such person without the approval through a special resolution of the general meeting of shareholders.

66 There are two types of general meeting of shareholders: annual general meeting of shareholders and extraordinary general meeting of shareholders. The annual general meeting of shareholders shall be held once a year within six (6) months after the end of the previous fiscal year.

67 An extraordinary general meeting of shareholders shall be convened within two (2) months from the occurrence date of any of the following events:

(1) the number of directors is less than the quorum provided by the Company Law or is less than two thirds (2/3) of the number as required by the Articles;

(2) the amount of the Company's loss that have not been made up reaches one-third of the Company's total paid-in share capital;

(3) shareholders holding more than 10% of the voting shares of the Company, either individually or jointly, request that a general meeting of shareholders be convened;

(4) the board of directors deems it as necessary or the supervisory committee proposes that such a meeting be convened;

(5) other circumstances as stipulated in laws, regulations or the Articles.

68 The location of the general meeting of shareholders shall be: the locality where the Company is domiciled or other specific locations as notified by the person(s) convening the general meeting of shareholders.

The general meeting of shareholders shall have a venue and be held in the form of an on-site meeting. The Company will also provide online voting to facilitate the participation of the shareholders in the general meeting of shareholders. Shareholders who have participated in the general meeting of shareholders through the aforesaid methods shall be deemed as present.

Once the notice of the general meeting of shareholders is issued, the venue of the on-site general meeting of shareholders shall not be changed without a legitimate reason. In case of any alteration due to legitimate reasons, the convener shall, at least two working days prior to the scheduled date for the on-site meeting, publish an announcement and explain the reasons.

69 When a general meeting of shareholders is convened, the Company shall engage a lawyer to issue a legal opinion and make a public announcement with respect to the following matters:

(1) whether the procedures in which the meeting is convened and held comply with laws, regulations and the Articles;

(2) whether the qualifications of the attendees and the person(s) convening the meeting are legal and valid;

(3) whether the procedures and the voting results are legal and valid;

(4) to express legal opinion on other relevant matters as requested by the Company.

70 Independent director(s) shall have the right to propose to the board of directors that an extraordinary general meeting of shareholders be convened. For such proposal, the board of directors shall, in accordance with laws, regulations and the Articles, make a response in writing on whether or not it agrees to convene an extraordinary general meeting of shareholders within ten (10) days upon receipt of such proposal.

If the board of directors agrees to convene an extraordinary general meeting of shareholders, a notice of the general meeting of shareholders shall be issued within five (5) days after the resolution of the board of directors is passed. If the board of directors refuses to convene an

request to the supervisory committee in the form of writing.

If the supervisory committee agrees, a notice of the meeting shall be issued within five (5) days upon receipt of the request. Changes made to the original request in the notice shall be approved by relevant shareholders.

If the supervisory committee fails to give the notice of such a meeting within the specified time limit, it shall be deemed to have failed to convene or preside over the meeting, in which case, the shareholders who either individually or jointly hold more than 10% of the Company'

76 The contents of the proposals shall be within the scope of authority of the general meeting of shareholders, have clear and definite topics and specific matters to be determined, and shall comply with relevant provisions of laws, regulations and the Articles.

77 When the Company holds a general meeting of shareholders, the board of directors, supervisory committee and shareholders who individually or jointly hold more than 3% of the voting shares of the Company shall have the right to prepare a proposal to the Company.

Shareholders who hold more than 3% of the voting shares of the Company, either individually or jointly, may prepare an interim proposal and submit it in writing to the person(s) convening the meeting ten (10) days before the general meeting of shareholders convenes. The person(s) convening the meeting shall issue a supplementary notice of the general meeting of shareholders within two (2) days upon receipt of the proposal and publicly announce the contents of such proposal.

Except for the circumstances as provided in the preceding paragraph, after issuing a public announcement on the notice of the general meeting of shareholders, the person(s) convening the meeting shall not amend the proposals specified in the notice of the general meeting of shareholders or include new proposals.

The general meeting of shareholders shall not vote and make a resolution on proposals not specified in the notice (including supplementary notice) or not in compliance with Article 76 of the Articles.

78 When the Company holds an annual general meeting of shareholders, it shall send a written notice to the shareholders at least twenty (20) clear business days prior to the meeting; when holding an extraordinary general meeting of shareholders, it shall send a written notice to the shareholders at least 10 clear business days or 15 days, whichever is longer, prior to the meeting. Shareholders intending to be present in the general meeting of shareholders shall send a written reply of attendance to the Company within the time period stipulated in the notice.

The aforesaid business day refers to any day on which the Hong Kong Stock Exchange is open for the business of dealing in securities.

The notice of the general meeting of shareholders shall be delivered through any methods as permitted by the stock exchange of the locality where the Company's shares are listed (including without limitation by post, email, fax, public announcement, announcement on the websites of the Company and/or the stock exchange of the locality where the Company's shares are listed) to the shareholders (whether or not such shareholders have a voting right at the general meeting of shareholders). In the case of delivery by post, the address of the recipient shall be the address registered in the register of shareholders.

The public announcement mentioned in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authority of the State Council forty-five (45) to fifty (50) days prior to the meeting. All shareholders of domestic investment shares shall be deemed to have received the notice of general meeting of shareholders upon the publication of the announcement.

79 The notice of the general meeting of shareholders shall include the following contents:

(1) in written form;

(2) the time, location and duration of the meeting;

(3) the matters and proposals submitted to the meeting for consideration;

(4) providing shareholders with materials and explanations necessary for them to make sensible decisions regarding the matters to be discussed, including (but not limited to) the specific terms and contracts (if any) for a proposed transaction and a detailed explanation of its reasons and consequences where the Company proposes a merger, acquisition of shares, restructuring of share capital or other forms of restructuring;

(5) where any director, supervisor and senior management personnel have an important interest with regard to matters to be discussed, then the nature and extent of that interest shall be disclosed. Where the impact of the matters to be discussed on such director, supervisor and senior management personnel who are shareholders is different from the impact on other shareholders of the same class, then that difference shall be illustrated;

(6) containing the full text of any special resolution proposed to be passed at the meeting;

(7) providing a clear description stating that all shareholders shall have the right to attend and vote at the general meeting of shareholders and may entrust in writing one (1) or more proxies, as necessary, who does not need to be shareholders of the Company, to attend and vote at the meeting;

(8) stating the deadline and place for the delivery of proxy form of the meeting;

(9) the record date for the shareholders who have the right to attend the general meeting of shareholders;

(10) the names and telephone numbers of the contact person of the meeting.

(11) the voting time and procedures via the Internet or other methods.

80 Where the election of directors or supervisors is proposed to be discussed at the general meeting of shareholders, the notice of the general meeting of shareholders shall fully disclose the details of the candidates of directors or supervisors, and shall include at least the following contents:

(1) the particulars of the candidates such as education background, work experience and concurrent positions;

(2) whether he/she has an affiliation with the Company or the controlling shareholder and the actual controller of the Company;

Any shareholder who has the right to attend and vote at a general meeting of shareholders shall have the right to appoint one or more persons (not necessarily shareholder(s)) as his/her proxy(ies) to attend and vote at the meeting. Such proxy(ies) may exercise the following rights in accordance with the shareholder's appointment:

(1) the right to speak at the general meeting of shareholders;

(2) the right to vote in accordance with relevant laws, regulations and the Articles.

85 Where an individual shareholder attends the meeting in person, he/she shall present his/her identity card or other valid identity documents and stock account card evidencing his/her identity; where he/she appoints a proxy to attend the meeting, such proxy shall present his/her valid identity card and proxy form.

Where the shareholder is a legal person, its legal representative or the proxy(ies) appointed by its legal representative shall attend the meeting. Where the legal representative attends the meeting, he/she shall present his/her identity card or the valid identity documents evidencing his/her identity as a legal representative; where he/she appoints a proxy to attend the meeting, such proxy shall present his/her identity card and the proxy form issued legally by the legal representative of such legal person shareholder.

If the shareholder is a recognized clearing house (including HKSCC Nominees Limited) (or its nominee) under relevant laws and regulations of the place where the company's shares are listed, the shareholder may authorize one or several persons as representatives to attend any general meeting or class shareholders' meeting of the Company on their behalf. If more than one person is authorized, the authorisation must state the number and class of shares each relevant person is authorized to represent, and the authorisation shall be signed by an authorized officer of a recognized clearing house. An authorized person is deemed to have been duly authorized to attend the meeting without providing proof of shareholding, notarized authorized power of attorney and/or other factual evidence to prove that he/she has been duly authorized to exercise rights on behalf of a recognized clearing house (or its nominee), as if the person were an individual shareholder of the Company.

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

The proxy form issued by a shareholder to appoint proxy to attend the general meeting of shareholders shall set out the following contents:

(1) the name of the proxy;

(2) whether the proxy has voting rights;

(3) respective instructions on whether to cast an affirmative or negative vote or abstain from voting on each matter listed in the agenda of the meeting;

(4) the issue date and term of the proxy form;

(5) the signature (or seal) of the appointer. Where the appointer is a legal person, the seal of the appointer shall be affixed;

(6) specifying the number of shares held by the appointer represented by the proxy;

(7) Where several proxies are appointed, the proxy form shall specify the number of shares represented by each proxy.

87 The proxy form shall be placed at the domicile of the Company, or at other places designated in the notice of meeting, at least twenty-four (24) hours prior to the meeting for which the proxy is appointed, or twenty-four (24) hours prior to the designated voting time. If the proxy form is signed by a person authorized by the appointer, the power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall be placed together with the proxy form at the domicile of the Company or other places designated in the notice of meeting.

Where the appointer is a legal person, the legal representative or the person authorized by the resolution of its board of directors or other decision-making organ shall attend the general meeting of shareholders of the Company.

88 Any format of proxy form issued by the board of directors of the Company to the shareholders for the appointment of proxies shall give the shareholders free choice to instruct their proxies to cast an affirmative or negative vote, and to give separate instructions on each matter to be voted at the meeting. The proxy form shall state whether the proxy may vote at his/her discretion if the appointer does not give any instruction.

89 If, before voting, the appointer has passed away, lost his/her ability to act, withdrawn the appointment, withdrawn the authorization to sign the proxy form, or transferred all his/her relevant shares, the vote cast by the proxy in accordance with the proxy form shall remain valid so long as the Company has not received any written notice regarding such matters before the commencement of relevant meeting.

90 The meeting register for the attendees shall be prepared by the Company. The meeting register shall set out such matters as the names (or entity names), identity card numbers and addresses of, and the number of voting shares held or represented by, the attendees and the names of the appointers (or entity names).

91 The person(s) convening the meeting and the lawyer engaged by the Company shall, according to the register of shareholders provided by the securities registration and clearing organisation, jointly verify the legality of the shareholders' qualifications and register the names of shareholders and the number of voting shares held by them. The registration for meeting shall terminate before the chairman of the meeting announces the number of shareholders and proxies present at the on-site meeting and the total number of voting shares held by them.

93 The chairman of the board of directors shall preside over t he meeting. If the chairman is unable or fails to perform his/her duties, the vice chairman of the board of directors shall preside over the meeting; if the vice chairman is unable or fails to perform his/her duties, a director jointly elected by more than half (1/2) of all the directors shall preside over the meeting.

If the meeting is convened by the supervisory committee itself, the chairman of the supervisory committee shall preside over the meeting; if the chairman of the supervisory committee is unable or fails to perform his/her duties, a supervisor jointly elected by more than half (1/2) of all the supervisors shall preside over the meeting.

The general meeting of shareholders convened by shareholders themselves shall be presided over by the representative elected by the person(s) convening the meeting.

When the general meeting of shareholders is held, if the chairman of the meeting breaches the rules of procedures which renders the meeting unable to proceed, upon the consent of the shareholders representing more than half (1/2) of the voting shares present at the on-site meeting, the general meeting of shareholders may elect one person to act as the chairman of the meeting so as to proceed with the meeting. If shareholders fail to elect a chairman of the meeting for any reason, the shareholder present at the meeting (including proxy) holding the most voting shares shall preside over the meeting.

94 The Company shall formulate the rules of procedures of the general meeting of shareholders, which shall contain detailed provisions on the procedures of the meeting and the voting, including such contents as notice, registration, consideration of proposals, voting, calculation of votes, announcement of the voting results, formation of the resolutions of the meeting, meeting minutes and its execution and public announcement, and the principles for the authorisation which the general meeting of shareholders grant to the board of directors. The rules of procedures of the general meeting of shareholders shall be a schedule to the Articles and shall be finalised by the board of directors and approved by the general meeting of shareholders.

95 At the annual general meeting of shareholders, the board of directors and the supervisory committee shall report to the general meeting of shareholders on their work for the past year. Each independent director shall also give a work report.

96 The directors, supervisors and senior management personnel at the general meeting of shareholders shall give explanations for the inquiries and proposals of the shareholders.

97 The chairman of the meeting shall, before the voting, announce the number of shareholders or their proxies present at the on-site meeting and the total number of voting shares held by them, and the number of shareholders or their proxies present at the on-site meeting and the total number of voting shares held by them as recorded in the meeting register shall prevail.

98 The general meeting of shareholders shall be recorded in minutes, for which the secretary to the board of directors shall be responsible. The minutes shall include the contents set forth below:

(1) location, date, time, agenda and name of the person(s) convening the meeting;

(2) name of the chairman of the meeting, directors, supervisors and senior management personnel present or present as a non-voting attendee at the meeting;

(3) number of shareholders or their proxies present at the meeting (including shareholders of domestic investment shares and shareholders of overseas listed foreign shares (if any)), the total number of voting shares held by them, and their respective proportions of voting shares held by them in the total number of shares of the Company;

(4) discussion process, key points of the discussion and voting results of each proposal;

(5) inquiries, advice or proposals of the shareholders and related reply or explanation;

(6) name of the lawyer(s), person(s) counting the vote and scrutineer(s);

(7) other contents required to be recorded in the minutes by the Articles.

99 The person(s) convening the meeting shall ensure that the contents of the minutes is true, accurate and complete. The minutes shall be signed by the directors, supervisors, secretary to the board of directors, the person(s) convening the meeting or its/their representative(s) and chairman of the meeting present at the meeting, and shall be kept together with the signature list of shareholders attending the on-site meeting, the proxy form and valid information concerning voting through internet and other methods permanently.

100 The persons(s) convening the meeting shall ensure that the general meeting of shareholders can proceed without interruption until final resolutions are formed. Where the general meeting of shareholders is suspended or unable to make a resolution due to special reasons such as force majeure, necessary measures shall be taken to resume the meeting or directly terminate the current general meeting of shareholders as soon as possible and prompt public announcement shall be made. In the meantime, the person(s) convening the meeting shall report to the local branch of CSRC and the stock exchange where the Company is domiciled, explaining the reasons and disclosing relevant information and shall provide a special legal opinion issued by the lawyer.

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101 The resolutions of the general meeting of shareholders shall be divided into two types: (i) ordinary resolutions, and (ii) special resolutions.

Ordinary resolutions made by the general meeting of shareholders shall be passed by more than half (1/2) of voting rights held by the shareholders (including their proxies) present at the meeting.

Special resolutions made by the general meeting of shareholders shall be passed by more than two thirds (2/3) of voting rights held by the shareholders (including their proxies) present at the meeting.

102 When voting at a general meeting of shareholders, shareholders (including their proxies) shall

107 Resolutions on matters listed in Articles 63(1) to 63(5), 63(9), 63(13) and 63(15) to 63(18) concerning the duties and powers of the general meeting of shareholders in Article 63 of the Articles, matters in the first paragraph of Article 64 other than Article 64.2, and other matters except for those required to be passed by special resolutions by laws, regulations or the Articles, shall be passed by ordinary resolution by the general meeting of shareholders.

108 Resolutions on matters listed in Articles 63(6) to 63(8), 63(10), 63(12) and 63(14) concerning the duties and powers of the general meeting of shareholders in Article 63 of these Articles, and matters required to be adopted by special resolutions by laws, regulations or the Articles, or where ordinary resolutions of the general meeting of shareholders have determined that such matters have a material impact on the Company, shall be adopted by special resolution by the general meeting of shareholders.

109 The chairman of the meeting shall, according to the voting results, decide on whether the resolutions of the general meeting of shareholders have been adopted, which shall be final, and shall announce the voting results, which shall be recorded into the meeting minutes.

110 When matters concerning affiliated transactions are considered by the general meeting of shareholders, those affiliated shareholders shall refrain from voting, and the voting shares held by them shall not be counted towards the total number of valid voting shares; and the public announcement of the general meeting of shareholders shall fully disclose the information on the voting of the non-affiliated shareholders.

111 The name list of candidates for directors and supervisors shall be included in a proposal to be submitted to the general meeting of shareholders for voting.

The board of directors shall make a public announcement to the shareholders on the resume and basic information of the candidates of directors and supervisors. According to the provisions of the Articles or a resolution of the general meeting of shareholders, cumulative voting system shall be adopted where the shareholding ratio in which a single shareholder and its parties acting in concert are interested is 30% or more and the general meeting of shareholders votes on the election of more than two directors or supervisors.

The following rules shall be observed where cumulative voting system is adopted in a general meeting of shareholders for election of directors and/or supervisors:

1. There should be separate voting sessions for the election of independent directors, non-independent directors and supervisors respectively.

    (1) In the election of independent directors, each shareholder present at the meeting is entitled to such number of votes as equity to the number of shares held by it multiplied by the number of independent directors to be elected at the general meeting of shareholders, and such votes can only be used for the candidates of independent directors of the Company.

    (2) In the election of non-independent directors, each shareholder present at the meeting is entitled to such number of votes as equity to the number of shares held by it multiplied by the number of non-independent directors to be elected at the general meeting of shareholders, and such votes can only be used for the candidates of non-independent directors of the Company.

(3) In the election of supervisors, each shareholder present at the meeting is entitled to such number of votes as equity to the number of shares held by it multiplied by the number of supervisors to be elected at the general meeting of shareholders, and such votes can only be used for the candidates of supervisors of the Company.

When electing directors and/or supervisors at the general meeting of shareholders, each candidate of director and/or supervisor shall be voted separately and individually. A shareholder can exercise its voting rights either collectively to one candidate or separately to several different candidates for the same type of position, provided that the total number of votes exercised by a shareholder shall not exceed the total number of votes entitled to it for such type of candidate.

2. The election of directors and/or supervisors shall depend on the number of votes obtained, which shall be no less than half (1/2) of the total voting rights entitled to the shareholders present at the general meeting of the shareholders.

3. Before voting for the candidates of directors and/or supervisors at the general meeting of shareholders, the chairman of the meeting shall expressly inform the shareholders present at the meeting of the adoption of cumulative voting system for the candidates of directors and supervisors. The board of directors shall prepare ballot tickets that are suitable for cumulative voting system. The secretary to the board of directors shall explain the methods of cumulative voting system and approaches on filling of ballot tickets.

112 Methods and procedures to nominate directors and supervisor are as follows:

(1) shareholders holding, individually or jointly, more than 3% in the total number of the outstanding voting shares of the Company may put forward in a written proposal to the general meeting of shareholders the candidates of non-independent directors and supervisors to be appointed from those other than the employee representatives, provided that the number of persons nominated must comply with the provisions of the Articles and be not more than the number of persons contemplated to be elected. The said proposal put forward by the shareholders to the Company shall be sent to the Company at least fourteen (14) days prior to the date of the general meeting of shareholders;

(2) the board of directors and the supervisory committee may, within the scope of the number of persons as provided in the Articles, formulate a proposed name list of the candidates of directors and supervisors who are not employee representatives according to the number of persons contemplated to be elected, and put forward the said list in a written proposal to the general meeting of shareholders;

(3) the Company shall separately formulate a special system for the nomination of independent directors;

(4) the written notice concerning the intention to nominate candidates of directors and supervisors and the nominees' statement for acceptance of the nomination, as well as relevant written information of the nominees, shall be sent to the Company at least seven (7) days prior to the date the general meeting of shareholders is held. The board of directors and the supervisory committee shall provide resumes and basic information of the candidates of directors and supervisors to the shareholders;

(5) the period given by the Company to relevant nominators and nominees to submit the aforesaid notices and documents (which is counted from the next day when the notice of general meeting of shareholders is issued) shall be at least seven (7) days;

(6) the general meeting of shareholders shall vote on each candidate of directors and supervisors one by one, except those circumstances under which the cumulative voting system is applicable;

(7) in case of any interim increase or addition of directors and supervisors, the candidates shall be put forward and suggested by the board of directors and the supervisory committee for election or replacement by the general meeting of shareholders.

113 Except for the cumulative voting system, the general meeting of shareholders shall vote on all proposals one by one, and where there are different proposals on the same matter, shall vote in accordance with the order of time the proposals are put forward. Except that the general meeting of shareholders is suspended or unable to make a resolution for special reasons such as force majeure, it shall not put off or refrain from voting on proposals.

114 When considering proposals, the general meeting of shareholders shall not amend the contents of the proposal, otherwise relevant changes shall be deemed as a new proposal, and the current general meeting of shareholders shall not vote on such proposal.

115 Among the on-site voting, voting through internet or voting through other means, only one method can be chosen for the same vote. In case of a repetitive voting for the same vote, the result of the first voting shall prevail.

116 Before voting on proposals, the general meeting of shareholders shall elect two shareholders' representatives to participate in vote counting and supervision on vote counting. Where a shareholder is affiliated with the matters being considered, such relevant shareholder and its proxies shall not participate in vote counting and supervision on vote counting.

When the general meeting of shareholders votes on proposals, the lawyer, shareholders' representatives and supervisors' representatives shall jointly be responsible for vote counting and supervision on vote counting and shall announce on the spot the voting results, and the voting results for resolutions shall be recorded into the meeting minutes.

Company shareholders or their proxies voting through internet or other means shall have the right to verify their own voting results through the corresponding voting system.

117 The ending time of the on-site general meeting of shareholders shall not be earlier than the ending time for meeting via the internet or other means, and the chairman of the meeting shall announce the voting information and result on each proposal and, according to the voting result, on whether such proposal is passed.

Before the voting result is formally announced, relevant parties involved in the voting on site or through internet or other means, such as the Company, person(s) counting the vote, scrutineer(s), major shareholders, internet services providers, etc., shall assume confidentiality obligations toward the information on voting.

118 Shareholders present at the general meeting of shareholders shall express one of the following opinions on the proposals submitted for voting: affirmative, negative or abstaining, except that securities registration and clearing organizations, being the nominal holders of shares subject to the Shanghai-Hong Kong stock connect, may express opinions according to the intentions of actual holders.

Votes without input or with wrong information or illegible scripts, or votes not casted, shall be deemed as the voters having waived their voting rights, and the voting result of the

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125 In case where different classes of shares are issued by the Company, shareholders holding different classes of shares shall be class shareholders.

Class shareholders shall enjoy the rights and assume the obligations in accordance with laws, regulations, rules and the Articles.

126 If the Company intends to change or abrogate the rights of class shareholders, it may do so only after such change or abrogation has been approved by a special resolution of the general meeting of shareholders and by the meetings of shareholders convened separately by the affected class shareholders in accordance with Article 130 to Article 134 respectively.

In case of change or abrogation of the rights of class shareholders due to changes in domestic and overseas laws, regulations and rules and the listing rules of the place where the shares of the Company are listed or decisions duly made by domestic and overseas regulators, no approval is needed from the general meeting of shareholders or the meetings of class shareholders.

127 In the following conditions, rights of a certain class shareholder shall be deemed to be changed or abrogated:

(9) a right to subscribe for such class or another class of shares, or convert into another class of shares;

(10) an increase in the rights and privileges of shares of another class;

(11) restructuring plan of the Company will cause shareholders of different categories to bear liability disproportionately during the restructuring;

(12) an amendment or cancellation of the provisions of this Chapter.

128 Class shareholders affected, whether or not originally having voting rights at the general meeting of shareholders, shall have voting rights in class shareholders' meeting when the matters stated in Articles 129(2) to 129(8), 129(11) to 129(12) are concerned, except for the interested shareholders.

The aforesaid interested shareholders have the following meanings:

(1) when the Company makes purchase offer to all shareholders equally pro rata or purchases shares of the Company by means of open transaction at the stock exchange in accordance with Article 31 hereof, "interested shareholders" refer to the controlling shareholders defined hereunder;

(2) when the Company purchases shares of the Company by means of agreement outside the stock exchange in accordance with Article 31 hereof, "interested shareholders" refer to the shareholders related to such agreement;

(3) in the restructuring plan, "interested shareholders" refer to the shareholders assuming responsibilities in a lower proportion than other shareholders of the same class, or the shareholders holding different interests from other shareholders of the same class.

129 Resolutions of the meetings of class shareholders may only be passed upon approval through voting by at least two-thirds (2/3) of the shareholders with voting rights and present at such meetings of class shareholders in accordance with Article 130.

130 When convening a meeting of class shareholders, the Company shall issue written notices to all the shareholders registered under such class of shares with reference to the time limit in relation to the convening of general meeting of shareholders as stipulated in Article 78 of this Articles of Association, and specify in such notices the matters to be considered at the meeting and the date and place of such meeting.

In case there are special regulations in the listing rules of the place where the shares of the Company are listed, such regulations shall prevail.

131 If a meeting of class shareholders is to be held by way of issuing notices, then such notices only need to be sent to the shareholders having the rights to vote at such meeting.

A meeting of class shareholders shall be held under the same procedures of a general meeting of shareholders as far as possible and unless otherwise stipulated under this Chapter, the terms under the Articles regarding procedures of holding a general meeting of shareholders shall apply to the meeting of class shareholders.

134 In case a director fails to attend the meeting of the board of directors in person or by proxy of other directors for two consecutive times or attends less than three-fourths (3/4) of the total meetings of the board of directors (regular and ad hoc meetings) in person within one year, or the total times he/she abstains from voting within one year exceeds 30% of his/her total number of votes, he/she shall be deemed as unable to perform his/her duties, and the board shall advise the general meeting of shareholders to replace such director.

135 Any director may resign prior to the expiration of his/her service term by submitting a written resignation letter to the board. The board will disclose the relevant in formation within two days.

In case the resignation of any director results in the number of directors of the board falling below the statutory quorum, then until the newly-elected director takes his/her office, the original director shall continue to perform his/her duties as a director in accordance with the provisions under laws and regulation and the Articles.

Unless set forth above, the resignation of a director shall take effect when his/her resignation letter is delivered to the board.

136 Unless provided under the Articles or duly authorized by the board, no director may act on behalf of the Company or the board in his/her own name. When acting in his/her own name, if a third party reasonably considers him/her to be acting on behalf of the Company or the board, such director shall declare his/her position and capacity in advance.

137 In case a director violates the provisions under laws and regulations or the Articles while performing his/her duties for the Company and results in losses to the Company, such director shall be liable for compensation.

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138 The Company shall have independent directors, who shall pay particular attention to the legal rights and interests of the minority shareholders when performing his/her duties.

If there is any conflict among the shareholders or directors of the Company which would materially impact the operation and management of the Company, independent directors shall take the initiative to perform his/her duties so as to maintain the overall interests of the Company.

Unless otherwise provided under this Section, the provisions related to the eligibility and obligations of directors under Chapter 14 of the Articles, the listing rules of the place where the shares of the Company are listed and other relevant statutory regulations shall apply to the independent directors.

139 The independent directors of the Company shall mean those who do not hold any position in the Company other than director, do not have any relationship with the Company and its substantial shareholders (meaning the directors who individually or jointly hold more than 5% of the total number of shares with voting rights of the Company) that may impair his/her independent and objective judgment, and meet the requirements for independent shareholders under the listing rules of the place where the shares of the Company are listed. Independent directors may not serve concurrently as any position other than the members of special committees under the board of directors of the Company.

140 At least one-third of the members of the board of directors of the Company shall be independent directors, among whom at least one member shall be an accounting professional. In case any independent director fails to meet the requirements for independence or is otherwise not suitable to perform the duties of an independent director, and as a result the quorum for independent directors under the Articles is not met, the Company shall make up for such quorum as required.

141 The service term of the independent directors shall be the same as that of the other directors of the Company. Upon expiration of the service term of an independent director, he/she may be re-elected and re-appointed, provided that the continuance in office shall not exceed six years.

142 The Company shall establish policies for independent directors to provide for the qualification, nomination, election and replacement, rights and obligations, legal liabilities and other information related to the independent directors. Such policies shall take effect r

(4) To decide on the entrusted wealth management matters with a cumulative amount which

(21) To manage the information disclosure of the Company;

(22) To propose to the general meeting of shareholders to hire or replace the accounting firm conducting audit of the Company;

(23) To hear the work report, of the president of the Company or the senior management personnel entrusted by the president; check the implementation of the resolutions of the board of directors by the president and other senior management personnel, and establish a sound accountability system for the president and other senior management personnel;

(24) To decide on the establishment of the special committees of the board of directors;

(25) To elect the chairman and vice chairman of the Company;

(26) To consider and approve the external guarantee of the Company other than those which approval at the general meeting of shareholders is required under Article 64;

(27) To decide on the out-of-budget expenses with an individual amount not exceeding 10% of the latest audited net assets value of the Company;

(28) To decide on external donations the individual amount of which does not exceed 10% of the audited net profit of the most recent fiscal year;

(29) To decide on the asset mortgages and pledges proposed by the Company for its own debts;

(30) To consider and approve acquisition or sale of assets by the Company other than those approval at the general meeting of shareholder is required under the Articles;

(31) To decide on the strategic planning and business planning of the Company;

(32) To formulate major accounting policies and plans of change in accounting estimates of the Company;

(33) To decide on major issues of the Company in terms of safety and environmental protection, maintenance of stability, and social responsibility;

(34) To formulate solutions for the Company's major litigation, arbitration and other legal affairs;

(35) To be responsible for the preparation of the Company's regular reports, the social responsibility report, and the ESG (environmental, social and governance) report;

(36) To develop decision-making plans authorized by the board of directors;

(37) To develop and review the Company's policies and practices on corporate governance;

(38) To review and monitor the training and continuous professional development of directors and senior management;

(39) To review and supervise the Company's policies and practices on compliance with legal and regulatory requirements;

(40) To develop, review and monitor the code of conduct and compliance manual applicable to employees and directors;

(41) To review the Company's compliance with the Code of Corporate Governance Guidelines in the Listing Rules of the Hong Kong Stock Exchange and disclosure in the corporate governance report;

(42) Other functions and powers as provided under laws and regulations or the Articles and granted by the general meeting of shareholders.

Any function abovementioned to be exercised by the board of directors or any transaction or arrangement made by the Company, in case it is required to be considered by the general meeting of shareholders under the listing rules of the place where the shares of the Company are listed, shall be submitted to the general meeting of shareholders for consideration.

Among all the matters abovementioned, those under Articles 147(7), 147(9), 147(18), 147(19), 147(26) shall be passed by special resolution by the board of directors and the remaining shall be passed by ordinary resolution by the board of directors; and the matter under Article 147(25) shall not only be adopted through general resolution by the board of directors but also be approved by at least two-thirds of the directors present at the meeting.

146 The board of directors shall formulate its rules of procedures, so as to make sure that the resolutions of the general meeting of shareholders are implemented and that its working efficiency is improved and its decisions are made reasonably. The rules of procedures of the board of directors shall provide for the procedure of holding meetings of the board of directors and voting on such meetings. Such rules of procedures shall be attached to the Articles and shall be drafted by the board of directors and approved at the general meeting of shareholders.

147 The board of directors shall set up special committees to provide advisory and recommendations for the material decisions to be made by the board of directors. Such special committees shall include strategy and investment committee, audit and risk management committee, remuneration committee, nomination committee, safety, health and environmental protection committee and etc. All such special committees shall be accountable to the board of directors and their members shall all comprise of directors, and among which, the majority members on the strategy and investment committee shall be external directors, the majority members on the nomination committee shall be independent directors, the majority members and the chairman on the audit and risk management committee and the remuneration committee shall be independent directors and the chairman of the audit and risk management committee shall be an accounting professional. The board of directors may set up other committees and adjust the existing ones where need arises. The board of directors shall set up the rules of procedures for the special committees with respect to their duties and meeting procedure.

Each special committee may engage intermediaries to provide professional advice at the expense of the Company. When engaging any intermediary, a confidentiality agreement shall be signed with the relevant party.

(10) exercising special executive powers that are in compliance with laws, regulations and in the interests of the Company within the functions and powers of the board of directors in case of force majeure or major or critical circumstances which make it impossible to convene a meeting of the board of directors in a timely manner, and reporting to the board of directors after the relevant events and approving as per procedures;

(11) proposing candidates for the secretary to the board of directors and their remuneration and appraisal suggestions, and submitting to the board of directors to decide on the appointment or dismissal and remuneration; putting forward establishment plans or adjustment suggestions and candidate suggestions for each special committee, and submitting to the board of directors for discussion and voting;

(12) to hold meetings with non-executive directors (including the independent non-executive directors) without the presence of executive directors at least annually;

(13) other functions and powers provided by laws, regulations and the Articles and by the board of directors.

152 The chairman is authorised by the board of directors to exercise the decision-making power on the following matters:

(1) corporate financing within the authority of the board of directors, the single amount of which is not more than 3% of the latest audited eunction112.gst annuall028;

which is not more than 3% of ting power Whenrectors s (inclaboof tions direc12.2 (Themay .167 Td) w

155 A notice to hold the special meeting of the board of directors shall be delivered by the means set out in Article 246 of the Articles; the notice generally shall be delivered to each director and supervisor 10 days before the date of the meeting or at least five days before the date of the meeting.

156 A notice of a meeting of the board of directors shall contain:

(1) the date and venue of the meeting;

(2) the duration of the meeting;

(3) the reasons for convening the meeting and the matters to be discussed at the meeting;

(4) the date of the notice; and

(5) the method for which the meeting is held.

157 Meetings of the board of directors may be held only when more than half of the directors and more than half of the external directors are present at the meetings.

Each member of the board of directors shall have one vote at the meetings of the board of directors, and directors may vote by written and open ballot.

Resolutions of the board of directors shall be divided into ordinary resolutions and special resolutions. An ordinary resolution of the board of directors shall be passed by more than half of the members of the board of directors. A special resolution of the board of directors shall be passed by more than two thirds of the members of the board of directors.

158 Directors shall attend any meeting of the board of directors in person. Where a director is

164 The secretary to the board of directors shall be a natural person who has the necessary professional knowledge and experience, and is appointed by the board of directors. His or her main functions include:

(1) organizing and carrying out corporate governance research; assisting the chairman in drafting rules and regulations concerning major plans, and the formulation or revision of the operation of the board of directors; implementing corporate governance related systems, and managing related affairs;

(2) being responsible for the information disclosure of the Company; assisting in the work of the information disclosure of the Company; organizing and formulating policy on management of corporate information disclosure; supervising the Company and the relevant information disclosure obligor to comply with the relevant regulations on information disclosure; being responsible for the confidentiality of the information disclosure of the Company; immediately reporting and disclosing to the stock exchange in case of the disclosure of non-public material information;

(3) being responsible for the management of investor relations; coordinating the communication among state-owned assets supervision supe 2.3and diesupdtieingw 2.362 1 T

(8) being responsible for the management of changes in the Company's shares and derivatives;

(9) other functions and powers stipulated by laws, regulations and the requirements of the stock exchange.

165 The secretary to the board of directors shall attend important decision-making meetings such as board meetings and work meetings of the president, meetings of special committees of the board of directors, and meetings of the CPC Committee to study and discuss major operation and management issues.

166 A director or any senior management personnel other than the president and the chief accountant may serve concurrently as the secretary to the board of directors. No accountants of the accounting firm retained by the Company may serve concurrently as the secretary to the board of directors.

When a director serves concurrently as the secretary to the board of directors, such director may not, in his or her dual capacity, take any action which is required to be taken separately by a director and the secretary to the board of directors of the Company.

The Company shall have a securities affairs representative to assist the secretary to the board of directors in performing his or her duties.

167 Directors, president and the relevant internal departments of the Company shall support the secretary to the board of directors in performing his or her duties in accordance with laws, and offer the requisite guarantee with respect to organisational structure, staff support and funding. All relevant departments of the Company shall provide active assistance to the department of the secretary to the board of directors.

168 The Company shall formulate the rules of procedure for the secretary to the board of directors, which specifically provides for the qualifications, work methods, work procedures, evaluation, awards and punishment with respect to the position of a secretary to the board of directors, and shall become effective after the approval of the board of directors.

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169 The Company shall have a management team. The management team is the executive body of the Company, performing the functions of planning operations, implementing policies and strengthening management, and is under the management of the board of directors and the supervision of the board of supervisors. The management team is taken charge by the president.

The management team includes one president, several vice presidents, one chief accountant, one chief engineer, one chief economist, one general counsel, one chief supervisor of work

170 The term of office of a president shall be three years, and may be renewed if the president continues to be engaged upon the expiry thereof.

A president may resign prior to the expiry of his or her term of office. Where a president is unable to perform his or her duties for any special reason, the board of directors shall appoint a vice president to perform the president's duties.

A director may serve concurrently as a president or vice president.

171 No person who holds any position other than a director, supervisor and other administrative personnel in an entity which is the controlling shareholder or actual controller of the Company may serve as a senior management personnel of the Company, unless there is an exemption approved by the CSRC. If the senior management personnel of the controlling shareholder serves concurrently as a director, a supervisor or a senior management personnel of the Company, such senior management personnel shall ensure that he/she can devote sufficient time and energy to undertaking the work in the Company.

The senior management personnel of the Company only receives remuneration from the Company, and shall not be paid by the controlling shareholders.

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

(1) taking charge of the operation and management of the Company, organising and leading the daily operation of internal control and reporting to the board of directors;

(2) organising the implementation of the resolutions of the board of directors;

(3) drafting the development plan, annual business plan, investment plan and proposal, financing plan and entrusted wealth management plan of the Company, and organising their implementation;

(4) approving the expenses of recurrent projects and the staged costs of long-term investment as per the investment plan and proposal of the Company;

(5) drafting plans for annual financial budget and final account of the Company as instructed by the board of directors;

(6) drafting plans for the merger, division and reorganisation of the Company's subsidiaries;

(7) drafting employee salary, benefits, awards and punishment policies and plans of the Company;

(8) drafting plans for establishment of the internal management bodies of the Company;

(9) drafting plans for the various branch entities of the Company;

(10) formulating the basic management system of the Company;

(11) formulating general rules and regulations of the Company;

(12) proposing to the board of directors on engagement or dismissal of members of the Company's management team;

(13) engaging or dismissing persons other than those to be engaged or dismissed by the board of directors; and

(14) any other functions and powers delegated under the Articles or by the board of directors.

173 The board of directors authorizes the president to exercise the decision-making rights on the following matters:

(1) corporate financing within the authority of the board of directors, the single amount of which is not more than 2% of the latest audited net assets of the Company;

(2) asset mortgage or pledge proposed by the Company for its own debts, the single amount of which is not more than 2% of the latest audited net assets of the Company; and

(3) out-of-budget expenses, the single amount of which is not more than 2% of the latest audited net assets of the Company.

Any authority delegated by the board of directors to the president shall be exercised only after being discussed by the work meeting of the presidents.

(4) Other matters authorized by the board of directors.

174 The president of the Company may attend meetings of the board of directors as non-voting attendees, and a president who is not a director shall have no voting rights at the meetings of the board of directors.

175 The Company shall establish a system for work meetings and special meetings of the presidents as well as the work rules for the presidents which shall be implemented upon the approval of the board of directors.

176 Rules of procedure for the presidents shall include:

(1) the conditions for and the procedures and attendees of the work meeting and special meeting of the president;

(2) the use of the Company's funds and assets, the authority to enter into material contracts, and the system of reporting to the board of directors and the supervisory committee; and

(3) any other matters which are deemed to be necessary by the board of directors.

177 When exercising their functions and powers, the management team shall perform their fiduciary and diligence duties in accordance with laws, regulations and the Articles.

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178 No director or senior management personnel of the Company may serve concurrently as a supervisor.

179 The term of office of a supervisor shall be three years. If re-elected upon expiry of his or her term of office, a supervisor may serve consecutive terms.

180 If re-election is not held immediately following the expiry of the term of office of a supervisor, or if a supervisor resigns during his or her term of office, resulting in the number of members of the supervisory committee being less than the statutory number, the supervisor in issue shall continue to perform his or her duties as a supervisor in accordance with laws, regulations and the Articles until the tenure of the newly elected supervisor commences.

A supervisor may resign prior to the expiry of his or her term of office, and the provisions in the Articles regarding directors' resignation apply to supervisors.

181 Supervisors shall sign a written confirmation letter about securities issuance documents and regular reports prepared by the board of directors. Supervisors shall ensure that the Company shall disclose information in a timely and fair manner, and the information disclosed is true, accurate and complete.

If supervisors cannot guarantee the authenticity, accuracy and completeness of the securities issuance documents and regular reports or have any objection, they shall express their opinions and state the reasons in the written confirmation letter which shall be disclosed by the Company. Otherwise, supervisors can disclose such information directly.

182 Supervisors may attend the meetings of the board of directors as non-voting attendees and the

186 The members of the supervisory committee shall include shareholders' representatives and employees' representatives. Shareholders' representatives shall be elected and removed by the general meeting of shareholders. Employee representatives may not be less than one-third of the total number of members and shall be democratically elected and removed by employees of the Company.

187 The supervisory committee shall exercise the following functions and powers:

(1) reviewing regular reports of the Company prepared by the board of directors, and giving its written opinions;

(2) examining the Company's financial affairs;

(3) supervising the acts of the directors and senior management personnel during their performance of duties to the Company, and proposing the removal of the directors and the senior management personnel who have violated laws, regulations, the Articles or resolutions passed at the general meeting of shareholders;

(4) requiring directors or senior management personnel to rectify their act if such act is detrimental to the Company's interests;

(5) proposing to convene an extraordinary general meeting of shareholders, and convening and presiding over the general meeting of shareholders when the board of directors fails to perform its duties to convene and preside over the general meeting of shareholders as required by the Company Law;

(6) proposing motions at the general meeting of shareholders;

(7) proposing to convene an extraordinary meeting of the board of directors;

(8) electing the chairman of the supervisory committee;

(9) instituting a lawsuit against directors or senior management personnel in accordance with the Company Law;

(10) making investigations of any circumstance in the operations of the Company not in the ordinary course of business, and retaining accounting firms, law firms or other professional institutions to provide assistance, if necessary, at the expense of the Company; and

(11) supervising the establishment and implementation of internal control system by the board of directors;

(12) supervising the review, voting, disclosure and performance of connected transactions and deliver its opinion in annual report;

(13) performing any other functions and powers specified in laws, regulations and the Articles.

(3) the person was a director or the factory head or the manager of a company or an enterprise subject to bankruptcy liquidation and was personally responsible for the bankruptcy liquidation of the company or the enterprise and not more than three years have elapsed since the completion day of the bankruptcy liquidation of the company or the enterprise;

(4) the person was the legal representative of a company or an enterprise which had its business license revoked and was required to be closed for violating applicable laws and the person was personally responsible for the same, and not more than three years have elapsed since the date when the business license of the company or the enterprise was revoked;

(5) the person has a relatively large amount of personal debts that have become due but have not been discharged;

(6) the person was investigated by a judicial authority due to his violation of the criminal law and the case has not been closed;

(7) the person was prohibited by the CSRC from entering the securities market and the prohibition period has not expired;

(8) the person was ruled by the relevant authority as violating applicable securities laws and regulations which involved fraud or dishonest acts and not more than five years have elapsed since the date of the ruling;

(9) the person is not a natural person; and

(10) the person is subject to other restrictions stipulated by applicable laws and regulations or the local securities regulatory authority and stock exchange in the place where the Company is listed.

194 Where a director or senior management personnel holds his office or is elected not in compliance with laws and regulations or his qualification is not in compliance with laws and regulations, the validity of the acts of the director or the senior management personnel for and on behalf of the Company for any third party acting in good faith will not be so affected.

195 In addition to the obligations required by applicable laws and regulations or the local listing rules prevailing in the place where the Company is listed, the directors, the supervisors and the senior management personnel shall also have the following obligations to each shareholder when exercising the functions and powers granted by the Company:

(1) not to cause the Company to operate outside of the business scope stipulated in the business license of the Company;

(2) to sincerely act in the best interest of the Company;

(3) not to deprive the Company of its properties in any way, including (but not limited to) opportunities favourable to the Company; and

(4) not to deprive the shareholders of their personal interests, including (but not limited to) distribution rights and the voting rights, but excluding the submission of the Company to reorganization as approved by a general meeting of shareholders.

196 When a director, a supervisor or a senior management personnel of the Company exercises his/her rights or perform his/her obligations, he/she shall adopt the care, diligence and skills which are normally adopted by a reasonable and diligent person in similar circumstances, and shall also have the following obligations of diligence to the Company:

(1) to carefully, cautiously and diligently exercise the rights granted by the Company in order to ensure that the commercial acts of the Company comply with applicable State laws and regulations and the various State economic policies and rules, and that the business activities of the Company will not exceed the business scope stipulated in the business license of the Company;

(2) to treat all shareholders fairly;

(3) to understand the business operation and the management conditions of the Company in a timely manner;

(4) within his/her scope of duties, to ensure that all the information disclosed by the Company is true, correct and complete;

(5) to truthfully provide the supervisory committee with relevant information and materials and not to interfere with the exercise of the functions and powers of the supervisory committee or the supervisor; and

(6) to perform other obligations of diligence stipulated by applicable laws and regulations and the Articles.

197 Directors, supervisors and the senior management personnel of the Company shall follow the principles of honesty and good faith when performing their duties and shall not place themselves in a circumstance which their personal interests may conflict with their obligations. The said principles shall include (without limitation to) the following obligations:

(1) to sincerely act in the best interest of the Company;

(2) to exercise their rights within their scope of duties and not to exceed their scope of duties;

(3) to exercise their discretionary power in their personal capacity without being affected by others; and not to transfer their discretionary power to others unless in accordance with applicable laws and regulations or the informed consent of shareholders at a general meeting;

(4) to treat the shareholders of the same class equally and to treat shareholders of different classes fairly;

(5) not to enter into contracts, transactions or arrangements with the Company unless otherwise stipulated by the Articles or otherwise with the informed consent of shareholders at a general meeting;

(6) not to seek personal interests by utilizing the assets of the company without the informed consent of shareholders at a general meeting;

(7) not to take bribery or other illegal income by utilizing their positions and not to seize the properties of the Company in any way, including (but not limited to) opportunities favourable to the Company;

(8) not to accept commissions relating to transactions of the Company without the informed consent of shareholders at a general meeting;

(9) to abide by the Articles, to loyally perform their duties, to protect the interests of the Company and not to seek their personal interests by utilizing their positions in the Company;

(10) not to, by utilizing their positions, seek the business opportunities which belong to the Company for their own or other's benefit or operate a business of the same type as that of the Company by themselves or for others or compete with the Company in any way without the informed consent of shareholders at a general meeting;

(11) not to misappropriate the funds of the Company and not to deposit the assets or funds of the
Company in an account opened in their own name or the name of others;

(12) not to, in violation of the Articles, lend the funds of the Company to others or provide guarantee to the shareholders of the Company or the other individuals without the consent of shareholders at a general meeting or the board of directors;

(13) not to damage the interests of the Company by utilizing their affiliated relationship with the Company; and

(14) not to disclose confidential information involving the Company obtained by them during their service without the informed consent of shareholders at a general meeting; and not to utilize such information except in the interest of the Company; provided that, they may disclose such information to a court or other governmental authorities under the following circumstances:

(i) such disclosure is stipulated by applicable laws;

(ii) such disclosure is required for the benefit of the public; and

(iii) such disclosure is required for the benefit of the relevant director, supervisor or the senior management personnel.

The income gained by the person in violation of this Article shall belong to the Company; and the person shall indemnify the Company of the damages or the losses of the Company so caused, if any.

198 A director, a supervisor or a senior management personnel of the Company shall not instruct the following persons or institutions (the "Relevant Person(s)") to carry out the activities that the director, the supervisor or the senior management personnel shall not carry out:

(1) the spouse or the minor children of the director, the supervisor or the senior management personnel of the Company;

(2) the trustee of the director, the supervisor or the senior management personnel of the Company or the persons listed in Article 203(1) above;

(3) the partner of the director, the supervisor or the senior management personnel of the Company or the persons listed in Articles 203(1) and 203(2) above;

(4) a company actually independently controlled by the director, the supervisor or the senior management personnel of the Company or a company actually in the common control by the director, the supervisor or the senior management personnel of the Company with the persons listed in Articles 203(1), 203(2) and 203(3) above or the other directors, supervisors or senior management personnel of the Company; and

(5) the directors, supervisors and the senior management personnel of the controlled company mentioned in the above Article 203(4).

199 The obligations of honesty and good faith undertaken by a director, a supervisor and the senior management personnel of the Company will not be automatically terminated when his/her term of service expires or is terminated. His/her obligation of confidentiality regarding the trade secrets of the Company shall survive the expiry or the termination of his/her term of service. The effective period of his/her other obligations shall be determined based on the principle of fairness and shall be subject to the length of time between the occurrence of the relevant events and the expiry or termination date of his/her term of service as well as the circumstances and conditions under which his/her relationship with the Company was terminated.

200 The liabilities of a director, a supervisor or a senior management personnel of the Company, due to his/her violation of a certain obligation to the Company, may be released by the informed consent of shareholders at a general meeting, except for the circumstances

204 The Company shall not directly or indirectly provide any loan or loan guarantee to the directors, supervisors or the senior management personnel of the Company or the directors, the supervisors or the senior management personnel of its parent company, and shall not provide any loan or loan guarantee to the Relevant Persons of the said persons.

The provisions stipulated in the above paragraph are not applicable in the following situations:

(1) The Company provides a loan to its subsidiaries or provides a loan guarantee to its subsidiaries;

(2) The Company provides the directors, the supervisors or the senior management personnel of the Company with a loan, a loan guarantee or the other payments in accordance with an employment contract approved at the general meeting of shareholders in order for the relevant directors, supervisors or the senior management personnel to pay the costs and fees incurred for the purpose of the Company or during the performance of his/her duties to the Company; and

(3) Where the normal business scope of the Company includes the provision of loans or loan guarantees, the Company may provide the directors, supervisors or the senior management personnel of the Company with ta loan or a loan guarantee in the ordinary course of business.

205 Where the Company provides a loan in violation of the provisions in the preceding Article, the person receiving the loan shall immediately repay the loan regardless of the conditions of the loan.

206 Where the Company provides a loan guarantee in violation of the first paragraph of Article 209, the Company shall not be obligated to perform the loan guarantee unless:

(1) the person granting the loan to the directors, supervisors or the senior management personnel of the Company or the directors, the supervisors or the senior management personnel of the parent company of the Company is not aware of the circumstances at the time of granting the loan; or

(2) the person granting the loan has legally conferred the collateral provided by the Company to a purchaser acting in good faith.

207 The guarantee mentioned in the preceding Articles shall include the assumption of liabilities as a guarantor or the provision of properties to guarantee the performance of the relevant obligations of the obligator.

208 Where the directors, the supervisors or the senior management personnel of the Company violate their obligations to the Company, the Company has the right to take the following measures in addition to the various rights and remedies stipulated by applicable laws and regulations:

(1) to require the relevant directors, supervisors or the senior management personnel of the Company to indemnify the Company for any damages or losses caused by the breach of their duties;

(2) to cancel any contract or transaction between the Company and the relevant directors, supervisors or the senior management personnel of the Company and any contract or transaction between the Company and any third party (if the third party knows or ought to have known that the relevant directors, supervisors or the senior management personnel of the Company acting for and on behalf of the Company have breached their obligations to the Company);

(3) to require the relevant directors, supervisors or the senior management personnel of the Company to return the proceeds gained by them in violation of their obligations;

(4) to take back the payments which have been received by the relevant directors, supervisors or the senior management personnel of the Company but should have been received by the Company, including (without limitation to) commissions;

(5) to require the relevant directors, supervisors or the senior management personnel of the Company to return the interest gained or possibly gained on the payments which should have been given to the Company; and

(6) to initiate legal proceedings and to seek judgement for the return of monies and properties gained by the relevant directors, supervisors or the senior management personnel of the Company in violation of their obligations to the Company.

209 The Company shall enter into a written contract with the directors and the supervisors of the Company regarding their remuneration, which shall be approved by the general meeting of shareholders in advance. The above-mentioned remuneration includes:

(1) the remuneration to be paid to the person who is a director, a supervisor or a senior management personnel of the Company;

(2) the remuneration paid to the person who is a director, a supervisor or a senior management personnel of the subsidiary of the Company;

(3) the remuneration paid to the person who provides other services for the management of the
Company and its subsidiaries; and

(4) the compensation paid to a director or a supervisor due to the loss of his position or his retirement.

Unless otherwise stipulated in the above-mentioned contracts, directors and supervisors shall not initiate proceedings against the Company for their entitlements.

210 The Company shall specify in the remuneration contract with the directors and supervisors regarding the remuneration, compensation and other payments that the directors and supervisors shall be entitled to due to the loss of their office or retirement as a result of the acquisition of the Company, subject to the approval in advance by the shareholders at a general meeting.

The acquisition of the Company mentioned in the preceding paragraph refers to any of the following events:

(1) any person makes a general offer to all the shareholders; or

(2) any person makes a general offer, intending to cause the offeror to become a controlling shareholder of the Company. The definition of controlling shareholder shall have the same meaning as defined in the Articles.

Where the relevant director or supervisor fails to comply with the provisions of this Article, the payments received by him shall belong to the person who accepts the said offer and sells his shares as per the offer and the director or the supervisor shall be responsible for the cost and the fees arising out of the pro rata distribution of such payments. Such costs and fees shall not be deducted from the said payments.

211 The Company may establish the necessary directors', supervisors' and senior management personnel's liability insurance scheme with a view to reducing the risks potentially caused by the performance of duties by such persons in the normal course of business, and the related liability insurance coverage shall be subject to the related contract.

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212 The Company shall establish its financial accounting system in accordance with laws and regulations as well as the rules of the relevant State governmental departments.

213 The fiscal year of the Company shall be the same as the calendar year, beginning on January 1 and ending on December 31 of each calendar year.

The Company shall, at the end of each fiscal year, prepare its annual financial report which shall be examined, inspected and audited in accordance with laws.

In addition to the financial statements prepared by the Company in accordance with the accounting standards and the laws and regulations of the PRC, the Company shall, if there are shares of the Company listed overseas, prepare its financial statements in accordance with international accounting standards or the accounting standards of the place(s) where such shares are listed. If there are major differences in the financial statements prepared in accordance with these two sets of accounting standards, an explanation for such differences shall be stated in the notes appended to such financial statements.

214 The board of directors of the Company shall, at each annual general meeting of shareholders, submit to the shareholders the financial reports prepared by the Company as required by relevant laws and regulations.

215 The Company shall submit its annual report and financial report to the CSRC and the relevant stock exchange(s) within four (4) months after the end of each fiscal year, its interim report and financial report to the local offices of the CSRC and the relevant stock exchange(s) within two (2) months after the end of the first six (6) months of each fiscal year, and disclose its quarterly report as per the time specified by the stock exchange.

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

The aforesaid financial reports shall be prepared in accordance with the accounting standards and the regulations of the PRC, as well as international accounting standards or the accounting standards of the place(s) where the Company's shares are listed.

216 The Company shall not establish any accounting books other than the statutory accounting books.

No asset of the Company may be deposited into a bank account opened in the name of any individual.

217 The Company shall make the financial report available at the office of the Company for examination by its shareholders twenty (20) days prior to the convening of the annual general meeting of shareholders, and every shareholder of the Company shall be entitled to obtain the financial report mentioned in this Chapter.

The Company shall, no later than twenty-one (21) days prior to an annual general meeting of shareholders, deliver the aforesaid financial report to each shareholder who is the holder of overseas listed foreign shares in Hong Kong through any means permitted by the stock exchange of the place(s) where such shares are listed (including without limitation mail, e-mail, facsimile, issuance of announcement or publication of the announcement on the website of the Company or of the stock exchange of the place(s) where such shares are listed). If it is delivered by mail, the address on the register of shareholders shall be the address of the relevant recipient.

218 The capital reserves shall include the following funds:

(1) the premiums obtained from the issue of shares in excess of the par value; and

(2) other revenue required by the State Council's department in charge of finance to be included in the capital reserves.

219 When distributing the after-tax profits of the current year, the Company shall allocate ten percent (10%) of its profits to the statutory reserves. In the event that the accumulated statutory reserves of the Company have reached fifty percent (50%) of its registered capital, no further allocation is needed.

In the event that the statutory reserves of the Company are insufficient to make up the losses of the Company in the previous years, before allocating the statutory reserves in accordance with the provisions of the preceding paragraph, the Company shall first make up the losses by using the profits of the current year.

After having allocated the after-tax profits of the Company to the statutory reserves, the Company may, subject to approval of shareholders at a general meeting, further allocate funds to the statutory reserves.

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

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

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

220 The basic principles of profit distribution policy of the Company and the prec.167 2 -2.333e ina

221 Dividend distribution policies of the Company are to be specified as follows:

(1) Dividend shall be distributed in the following manner: the Company may distribute dividends in cash, in shares or in a combination of both cash and shares. Subject to conditions, interim profit distribution may be made by the Company.

(2) Specific conditions for and proportion, intervals of distributing dividends in cash: provided that the sustainable operation and long-term development of the Company are assured, if the Company's profit for the year and its cumulative undistributed profit are positive and the Company has no significant investment plans or other significant cash expenditures, or other similar matters, the Company may distribute dividend in cash after full appropriation to the statutory reserves and discretionary reserves, the total profit to be distributed in cash in the past three consecutive years will not be less than 30% of the average annual distributable profit realized in the past three years; the profit to be distributed in cash per annum will not be less than 10% of the distributable profit realized for that year. The Company may not distribute dividends in cash in the following exceptional circumstances.

(i) Where the auditing firm issues a non-standard unqualified audit opinion on the financial report of the Company for the year.

(ii) Where the operating net cash flow of the Company is negative.

When the aforesaid conditions of cash distribution are met, in principle, cash dividends shall be distributed once a year by the Company. And the Board of the Company can propose a distribution of interim cash dividends according to the Company's situation of profitability and capital needs.

(3) Conditions for distributing dividends in shares by the Company:

Where the Company's business is in a sound condition, and the board of directors considers that the stock price of the Company does not match with its share capital size and distributing dividend in shares will be favourable to all shareholders of the Company as a whole, provided that the above conditions for cash dividends are fully met, the Company may propose dividend distribution in shares.

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

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

224 If there are overseas listed foreign shares issued by the Company, it shall appoint recipient agents for the shareholders who are the holders of such overseas listed foreign shares. The recipient agents shall collect, on behalf of such shareholders, the dividends distributed and other amounts payable in respect of the overseas listed foreign shares and shall keep the same in its custody until the payments are made to the relevant shareholders.

The recipient agents appointed by the Company shall meet the requirements of the laws of the place(s), or the relevant rules of the stock exchange(s), where such shares are listed.

The recipient agents appointed by the Company in relation to the overseas listed foreign shares listed on the Hong Kong Stock Exchange shall be a trust company registered under the Trustee Ordinance of Hong Kong.

Subject to compliance with relevant laws and regulations of China, the Company may expropriate dividends that have not been claimed by anyone, but such right of expropriation shall be exercised only after the expiration of the prescribed time period.

The Company has the right to cease delivering a dividend notice to the shareholders of overseas listed foreign shares by mail, but such right can only be exercised after the dividend notice has not been drawn twice consecutively. If the dividend notice fails to reach the expected recipient in the initial mail delivery and is returned, the Company may exercise the right promptly.

The Company has the right to sell the shares that belong to the shareholders of the overseas listed foreign shares through any method that the board of directors deems appropriate, subject to the following conditions:

(1) the Company has distributed dividends on such shares at least three times in a period of twelve years and no one claims such dividends;

(2) after the expiration of the twelve year period, the Company makes a public announcement in one or more newspapers in the place(s) of listing, stating its intention to sell such shares and notifies the stock exchange(s) of the place(s) where such shares are listed.

225 Procedures for considering the profit distribution plan of the Company

(1) The profit distribution plan of the Company shall be submitted to the board of directors and the supervisory committee for review after it is drafted by the management based on the actual profitability, cash flow, future operating plan and other relevant factors of the Company. The board of directors shall hold a thorough discussion with respect to the reasonableness of the profit distribution plan, and the independent directors shall give their explicit opinions. Upon the review and adoption of the board of directors and the supervisory committee, the profit distribution plan shall be submitted to the general meeting of shareholders for review.

229 Unless otherwise provided for in the relevant laws or regulations, if cash dividends or other amounts are paid in foreign currency, the applicable exchange rate shall be the average median rate of the relevant foreign exchange announced by the People's Bank of China during the week prior to the announcement of payment of such dividends and other amounts.

230 When distributing dividends to shareholders, the Company shall withdraw and, on behalf of individual shareholders, make payment of the tax payable on the dividend income in accordance with the tax laws and regulations of the PRC.

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231 The Company shall adopt an internal audit system, and have specially assigned audit personnel who will conduct internal audit and supervise the financial income and expenditure anannouncednditure 'accmanthemake the PRC.

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(3) participating in the meeting of shareholders, receiving such notices of meetings of shareholders or other information in relation to the meetings as any shareholder shall be entitled to receive and comment at any meeting of shareholders on matters involving its duties as an accounting firm engaged by the Company.

237 The engagement of accounting firm by the Company must be decided by the general meeting of shareholders, and the board of directors shall not appoint an accounting firm prior to the decision of the general meeting of shareholders.

The general meeting of shareholders may decide to dismiss an accounting firm by adopting an ordinary resolution before the expiration of the term of office of the accounting firm, regardless of the terms and conditions of the contract between the accounting firm and the Company. This does not affect the right of the relevant accounting firm to claim against the Company in connection with its dismissal.

238 The compensation of the accounting firm or the method of determining the compensation shall be decided by the general meeting of shareholders.

239 The decision on engaging, dismissing or not renewing the engagement of an accounting firm shall be made by the general meeting of shareholders.

Where the general meeting of shareholders proposes a resolution to engage a non-incumbent accounting firm to fill up any vacancy of the post of accounting firm, or dismiss an accounting firm before the expiration of its term of office, the following rules shall apply:

(1) the proposal on engagement or dismissal shall be sent to the accounting firm to be engaged or to leave the post or that has left the post in the relevant fiscal year before the issuance of the notice of the relevant general meeting of shareholders.

Leaving the post includes dismissal, resignation from the post and leaving the post after the expiration of the term of office.

(2) if the accounting firm about to leave the post makes a written statement, and asks the Company to inform the shareholders of its statement, unless the time of receiving the written statement is unduly delayed, the Company shall adopt the following measures:

(i) stating in the notice of the relevant general meeting of shareholders that the accounting firm to leave the post has made a statement;

(ii) sending a copy of the accounting firm's statement to shareholders as an attachment to the notice of the relevant general meeting of shareholders in any method prescribed by the Articles.

(3) If the Company fails to send the statement of the accounting firm to shareholders in accordance with Article 241(2), the accounting firm may request that the statement be read at the general meeting of shareholders and may further appeal.

(4) An accounting firm to leave the post shall be entitled to attend the following meetings:

(i) general meeting of shareholders at which its term of office shall expire;

(ii) general meeting of shareholders at which the vacancy due to its dismissal is to be filled up;

(iii) general meeting of shareholders convened due to its resignation from its post.

The accounting firm to leave the post shall be entitled to receive all notices of the aforesaid meetings or other information in relation to the meetings and make statements at the aforesaid meetings with regard to matters involving its duties as the previous accounting firm engaged by the Company.

240 Where the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm in advance, and the accounting firm shall be entitled to state its opinion at the general meeting of shareholders. If the accounting firm offers to resign, it shall make a statement to the general meeting of shareholders as to whether the Company is involved in any inappropriate matters.

(1) The accounting firm may resign from its duties by depositing its written resignation notice at the registered address of the Company. The resignation notice shall take effect on the date the notice is being deposited at the Company's registered address or the later date indicated in the notice. The notice shall include the following statements:

(i) a statement that its resignation does not involve any circumstance that should be reported to the Company's shareholders or creditors; or

(ii) any statements regarding any matters that should be reported.

Such notice shall take effect on the date it is being deposited at the Company's registered address or the later date indicated in the notice.

(2) The Company shall send copies of the aforesaid written notice to the relevant authorities within fourteen (14) days from the date of receiving the written notice set out in Article 242 (1). If the notice contains any statement mentioned in Article 242(1)(ii), the Company shall place a copy of the statement in the Company for shareholders' review. The Company shall also deliver a copy of the aforesaid statement to each shareholder of overseas listed foreign shares in any manner permitted by the stock exchange on which the shares of the Company are listed (including without limitation by mail, email, fax, public announcement or posting on the website of the Company and/or the stock exchange on which the shares of the Company are listed). If the delivery is effected by mail, the address in the register of shareholders shall be the address of the relevant recipient.

(3) If the resignation notice of an accounting firm contains any statement mentioned in Article 242(1)(ii), the accounting firm may ask the board of directors to convene an extraordinary general meeting of shareholders to listen to its explanation regarding the circumstances of its resignation.

244 In case the listing rules in the place where the Company's shares are listed require the Company to send, mail, dispatch, release or announce or provide by any other means the Company's relevant documents in both English and Chinese versions and if the Company has made appropriate arrangement to determine whether its shareholders wish to receive only the English or Chinese version, the Company may (according to the preference expressed by the shareholder) send either the English or Chinese version to the relevant shareholders to the extent permitted by applicable laws and regulations.

17

245 Pursuant to the Constitution of Communist Party of China and the Regulations of the Communist Party of China on the Work at Primary-Level Party Organizations of State-owned Enterprises (Trial), the Company shall establish an organization of the Communist Party of China (" ") to carry out the activities of the Party. The Company shall establish a work institution of the Party with a complete and strong team of personnel responsible for the Party affairs and guarantee the working funds of the Party organization. Meanwhile, the Company shall establish the Discipline Committee in accordance with relevant regulations.

246 The Company shall establish the Party Committee, which shall have one secretary and several members. The chairman of the board of directors shall concurrently serve as the secretary of the Party Committee, and the party member president takes the Deputy Secretary to the CPC Committee. A special position of deputy secretary who mainly takes in charge of the work of Party building shall be set up. Generally, the special deputy secretary should join the board of directors and not take positions in the management team.

The Company shall adhere to and improve the leadership system of "two-way entry and cross-appointment". Eligible members of the Party Committee may join the board of directors, the supervisory committee and the management through legal procedures, and eligible Party members in the board of directors, the supervisory committee and the management may join the Party Committee in accordance with relevant regulations and procedures.

247 The Party Committee of the Company shall play the role of leadership, and the political nucleus, and take charge of the direction and overall situation and ensure the implementation of policies, and discuss and decide material issues of the Company in accordance with relevant regulations. The major duties of the Party Committee of the Company shall be:

(1) strengthening the political construction of the Party of the Company, adhering to and implementing the fundamental system, basic system and important system of socialism with Chinese characteristics, educating and guiding all party members to always be in the same political position, political direction, political principle, and political path with the Party Central Committee with Comrade Xi Jinping as the core;

(2) thoroughly learning and implementing General Secretary Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, learning and publicizing the theories of the Party, implementing and executing the Party's paths, principles and policies, supervising and ensuring the implementation of the major decisions and arrangements of the Party Central Committee and the resolutions of higher-level party organizations in the Company;

(3) studying and discussing major operation and management issues of the Company, and supporting the board of shareholders, the board of directors, the board of supervisors (supervisors) and the management team in exercising their statutory duties or powers in accordance with the law;

(4) strengthening the leadership and control of the talent selection and employment, and do a good job in the construction of the leadership team, cadre team, and talent team of the Company;

(5) fulfilling the main responsibility of the construction of the Party's working style and a clean & honest administration of the Company, leading and supporting the establishment of an internal discipline inspection organization to perform the responsibility of supervision and discipline enforcement, strictly clarifying political discipline and political rules, and promoting the extension of full and strict governance over the Party to primary-level organizations;

(6) strengthening the construction of primary-level party organizations and party members, and uniting and leading employees to actively participate in the reform and development of the Company;

(7) leading the ideological and political work, spiritual civilization construction, united front work, as well as the trade unions, the Communist Youth League, women's organizations and other group organizations of the Company.

18

248 The Company shall establish a remuneration management system and labour management system in accordance with the relevant laws, regulations and the Articles, and shall be entitled to handle its internal employment, personnel and remuneration matters at its own discretion.

249 The Company shall implement the employment contract system, and employment contracts shall contain specific provisions relating to the employment, recruitment, dismissal, awards, punishment, remuneration, benefits, social insurance, labour discipline and labour protection, etc. of its employees.

250 The Company shall, in accordance with the relevant laws and regulations, carry out democratic management through the employee representative assembly or in other forms. The Company shall protect the lawful rights and interests of its employees.

The Company shall, in accordance with the Trade Union Law of the PRC, provide necessary conditions for activities to be organized by the trade union, and allocate funds to be used by the trade union in accordance with the relevant rules.

251 The layoff, diversion and settlement plans of employees in the merger, spin-off, restructuring,

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252 In the case of a merger or division of the Company, the board of directors of the Company shall put forward a proposal, and after the proposal has been adopted according to the rules and procedures specified herein, proceed with the procedures to obtain the relevant approvals in accordance with laws. The shareholders who oppose the Company's merger or division proposal have the right to request the Company or the shareholders who wish to adopt the merger or division proposal to purchase their shares at a fair price. The contents of the resolution in relation to the merger or division of the Company shall be made into a special document, which shall be available for shareholders' inspection.

The abovementioned documents shall also be delivered to shareholders of Hong Kong-listed foreign shares by any means permitted by the stock exchange in the place of listing of the Company's shares (including but not limited to by mail, e-mail, facsimile, public announcement, and announcement published on the website of the stock exchange in the place of listing of the Company's shares). In the case of delivery by mail, the address of the addressee registered in the register of shareholders shall prevail.

253 Merger of the Company may be implemented in two forms, merger by absorption or merger by new establishment.

254 In the case of a merger of the Company, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a detailed inventory of assets. The Company shall inform its creditors of the intended merger within ten (10) days following the date on which the merger resolution is adopted, and publish an announcement in a newspaper recognised by the stock exchange in the place of listing of the Company's shares within thirty (30) days. The creditors shall have the right to claim full repayment of their debts or provision of a corresponding guarantee from the Company within thirty (30) days from the date of receipt of the notice or, within forty-five (45) days from the date of the first public announcement for those who have not received the notice.

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258 Where a merger or division of the Company involves changes to matters which require registration, such changes shall be registered in accordance with laws with the relevant company registration authority; if the Company is dissolved, cancellation of the registration of the Company shall be filed in accordance with laws; where a new company is incorporated, the registration of the incorporation of the company shall be filed in accordance with laws.

The change in the increase or decrease of the registered capital of the Company shall be registered in accordance with laws with the relevant company registration authority.

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259 The Company may be dissolved if:

(1) the business period stipulated in the Articles expires or other reasons for dissolution occur;

(2) the general meeting of shareholders has resolved to do so;

(3) it is required as a result of a merger or division of the Company;

(4) the Company is revoked of its business license, ordered to be closed down or deregistered in accordance with laws;

(5) the Company encounters severe difficulties in its operation and management, and its continued existence may cause material harm to shareholders' interest, and if the problems could not be resolved through other means, the shareholders representing more than 10% of the voting rights of all the shareholders of the Company may apply to the People's Court for dissolution of the Company.

260 In the case of dissolution of the Company under Articles 259(1), 259(2), 259(4), and 259(5), a liquidation committee shall be formed to carry out the liquidation within fifteen (15) days from the date the cause of dissolution comes into existence. The members of the liquidation committee shall be determined by the board of directors or the general meeting of shareholders. In the case of failure to form a liquidation committee within the specified period, creditors may apply to the People's Court for an order requiring the relevant persons to form a liquidation committee to carry out the liquidation.

If the Company is declared bankrupt in accordance with law, bankruptcy liquidation shall be carried out in accordance with the laws on enterprise bankruptcy.

261 If the board of directors decides that the Company shall be liquidated (except for liquidation resulting from the Company's declaration of bankruptcy), it shall state in the notice of general meeting of shareholders convened for this purpose that the board of directors has conducted a comprehensive investigation on the Company's conditions and believes that the Company is able to pay off all its debts within twelve (12) months following the commencement of liquidation.

The functions and powers of the board of directors of the Company shall terminate immediately after the general meeting of shareholders adopts the resolution on liquidation. The liquidation committee shall follow the directions of general meeting of shareholders and report the income and expenditures, the Company's business and progress of the liquidation to the general meeting of shareholders at least once a year and make a final report to the general meeting of shareholders at the end of liquidation.

262 The liquidation committee shall exercise the following functions and powers during the period of liquidation:

(1) sorting of the Company's assets and preparing a balance sheet and a detailed inventory of assets of the Company;

(2) informing creditors by notice or public announcement;

(3) dealing with and liquidate relevant outstanding businesses of the Company;

(4) settling the Company's outstanding tax liabilities and tax liabilities arising from the liquidation process;

(5) settling claims and debts of the Company;

(6) disposing of the Company's remaining properties after satisfaction of the Company's debts;

(7) participating in civil proceedings on behalf of the Company.

263 The liquidation committee shall inform the Company's creditors of the liquidation within ten (10) days following its establishment, and publish an announcement in a newspaper recognised by the stock exchange in the place of listing of the Company's shares within sixty (60) days. Creditors shall declare their claims to the liquidation committee within thirty (30) days from the date of receipt of the notice or, within forty-five (45) days from the date of the first public announcement for those who have not received the notice.

The creditors shall provide explanations relating to their claims and provide supporting materials when declaring their claims. The liquidation committee shall register the claims. The liquidation committee shall not settle any debt with the creditors during the period of claim declaration.

264 After the liquidation committee has sorted the Company's assets and prepared a balance sheet and a detailed inventory of assets, it shall prepare a liquidation plan and submit it to the general meeting of shareholders or the People's Court for confirmation.

The assets of the Company remaining after the payment of liquidation expenses, employee salaries, social insurance premiums and statutory compensatory amounts, outstanding taxes and the debts of the Company shall be distributed to shareholders in proportion to their respective shareholdings.

The Company shall remain in existence but shall not engage in any business activities which are not related to the liquidation during the liquidation. The assets of the Company shall not be distributed to shareholders before payments have been made in accordance with the preceding paragraph.

265 In the event that the liquidation committee, having sorted the Company's asset and formulated the balance sheet and a detailed inventory of assets, discovers that there are insufficient assets in the Company to pay off its debts, the committee shall apply to the People's Court for a declaration of bankruptcy of the Company in accordance with laws. Upon the People's Court's declaration of bankruptcy of the Company, the liquidation committee shall hand over the liquidation matters to the People's Court.

266 Upon the completion of liquidation, the liquidation committee shall prepare a liquidation report and an income and expenditure statement and financial records for the period of liquidation and, after such are certified by a certified public accountant in the PRC, submit them to the general meeting of shareholders or the People's Court for confirmation. Within thirty (30) days from the confirmation of the general meeting of shareholders or the People's Court, the abovementioned documents shall be submitted to the company registration authority for cancellation of the Company's registration and an announcement of the Company's termination shall be made.

267 The members of the liquidation committee shall be devoted to their duties and perform their obligations in relation to the liquidation in accordance with laws.

No members of the liquidation committee may make use of their functions or powers to accept bribes or other illegal income, or seize the property of the Company.

Any member of the liquidation committee who has caused any loss to the Company or the creditors of the Company by reason of any intentional or gross negligence of such member shall be liable for the compensation to the Company or the relevant credit.

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268 Under any of the following circumstances, the Company shall amend the Articles:

(1) where after an amendment to the Company Law or the relevant laws or regulations, there is a conflict between the provisions of the Articles and those of the amended laws or regulations;

(2) where there are changes in circumstances from the time when the provisions herein are formulated that cause discrepancies to what is stated herein;

(3) the general meeting of shareholders has decided to amend the Articles.

269 Where any amendment made by a general meeting of shareholders to the Articles involves any matters that need to be approved by the authorities, such amendment shall be submitted to the relevant authorities for approval. The Company shall register any changes in accordance with laws where matters requiring registration are involved.

270 The board of directors shall amend the Articles according to the resolution passed at the general meeting of shareholders regarding the amendment to the Articles and the opinions given by the relevant authorities.

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271 If the Company issues overseas listed foreign shares, the Company shall follow the following rules of dispute settlement:

(1) If any dispute or claim concerning the Company's affairs on the basis of the rights and obligations provided in the Articles or in the Company Law or other relevant laws or regulations arises between a shareholder of overseas listed foreign shares and the Company, between a shareholder of overseas listed foreign shares and a director, supervisor, president or other senior management personnel of the Company or between a shareholder of overseas listed foreign shares and a shareholder of domestic shares, the parties concerned shall submit the dispute or claim for arbitration.

Where a dispute or claim as described above is submitted for arbitration, such dispute or claim shall be complete and in its entirety, and all persons (being the Company or the shareholder, director, supervisor, president or other senior management personnel of the Company) that have a cause of action due to the same facts or whose participation is necessary for the settlement of such dispute or claim shall abide by the arbitration.

Disputes concerning the definition of shareholders and the register of shareholders shall not be required to be settled by means of arbitration.

(2) The arbitration applicant shall select the China International Economic and Trade Arbitration Commission for arbitration in accordance with its arbitration rules. After the arbitration applicant submits the dispute or claim for arbitration, the arbitration shall be carried out by the arbitration institution selected by the applicant.

(3) Unless otherwise provided by laws or regulations, laws of the PRC shall apply to the arbitration of disputes or claims referred to in Article 270(1); and

(4) The arbitration award shall be final and binding upon each party.

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272 "Senior management personnel" referred to herein means the president, vice president, chief accountant, secretary to the board of directors, chief engineer, chief economist, general counsel, chief supervisor of work safety, and other management-level personnel employed by the board of directors of the Company. The "president" and "vice president" referred to herein means the manager and deputy manager provided in the Company Law. The "chief accountant" referred to herein means the financial director provided in the Company Law.

273 "Management team" referred to herein means the president, vice president, chief accountant, chief engineer, chief economist, general counsel, chief supervisor of work safety, and other management-level personnel employed by the board of directors of the Company.

274 “Controlling shareholder” referred to herein means a shareholder who holds 50% or more of the share capital of the Company, or (even if such shareholder fails to hold 50% of the share capital) based on the shareholdings of the shareholder, such shareholder has substantial influence on the resolutions to be passed at the general meetings of shareholders.

“Acting in concert” referred to herein means an agreement reached by two or more persons (whether in oral or written form), under which any of these persons acquires the voting rights of the Company with a view to obtaining or consolidating the control of the company.

“Actual controlling person”