ZTE CORPORATION
中興通訊股份有限公司
(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 763)

Articles of Association

Chapter 1 General Provisions

Article 1. These Articles of Association are formulated pursuant to the *Company Law of the People's Republic of China* (the "Company Law"), the *Securities Law of People's Republic of China* (the "Securities Law") and other relevant laws and regulations as well as the regulatory documents in order to protect the lawful rights and interests of the Company, the shareholders and the creditors and to regulate the organisation and activities of the Company.

Article 2. ZTE Corporation (the "Company") is a joint stock limited company established in accordance with the Company Law and other relevant laws and regulations of the State.

The Company was incorporated by subscription method on the basis of the approval document No. [1997] 42 issued by the Shenzhen Municipal People's Government. The Company obtained an enterprise legal person business licence following its registration with the Shenzhen Administration for Industry and Commerce on 11 November 1997. The Company's standardised social credit code is 9144030027939873X7.

The promoters of the Company are Shenzhen Zhongxingxin Telecommunications Equipment Company Limited, China Precision Machinery Import & Export Shenzhen Company, Lishan Microelectronics Corporation, Shenzhen Zhaoke Investment Development Co., Limited, Hunan Nantian (Group) Company Limited, Shaanxi Telecommunications Industrial Company (formerly Shanxi Shunda Telecom Company), China Mobile Telecommunications No.7 Research Institute (formerly the Ministry of Post and Telecommunications No.7 Research Institute), Jilin Posts and Telecommunications Equipment Company and Hebei Posts and Telecommunications Equipment Company.

Article 3. On 6 October 1997, the Company issued, upon the approval by the China Securities Regulatory Commission (the "CSRC"), 65,000,000 shares of Renminbi-denominated ordinary shares to the public (including 6,500,000 shares of employee shares to the employees of the Company) of which 58,500,000 shares of Renminbi-denominated ordinary shares were listed on the Shenzhen Stock Exchange (the "SZSE") on 18 November 1997 and 6,500,000 shares of employee shares were listed on the SZSE on 22 May 1998 upon approval by the CSRC and the SZSE.

Article 4. The registered name of the Company:

In Chinese is: 中興通訊股份有限公司

In English is: ZTE CORPORATION

Article 5. The place of domicile of the Company:

The place of domicile in full: ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen.

Postal code: 518057

Phone number: 86-755-26770000

Fax number: 86-755-26771009

Article 6. The Chairman of the Board of Directors of the Company is the legal representative of the Company.

Article 7. The term of operation of the Company shall be 50 years.

Article 8. All assets of the Company shall be divided into shares of equal amount and the liability of a shareholder of the Company shall be limited to the proportion of shareholdings held by it. The Company shall bear its liabilities with all of its assets.

Article 9. The Articles of Association shall come into effect commencing from the date of establishment of the Company.

From the date on which the Articles of Association come into effect, the Articles of Association shall constitute a legally binding document regulating the Company's organisation and activities, and the rights and obligations between the Company and each shareholder and among the shareholders.

Article 10. These Articles of Association shall have binding effect on the Company and its shareholders, directors, supervisors, president and other senior officers; the aforementioned person(s) may assert rights in respect of the Company's affairs pursuant to the Articles of Association.

The shareholders may institute legal proceedings against the Company pursuant to the Articles of Association, and the Company may institute legal proceedings against the shareholders, directors, supervisors, president and other senior officers pursuant to the Articles of Association. Shareholders may, pursuant to the Articles of Association, institute legal proceedings against other shareholders as well as directors, supervisors, president and other senior officers of the Company. For the purposes of the Articles of Association, the term "other senior officers" means the executive vice presidents, secretary to the Board of Directors and chief financial officer and personnel designated or confirmed by the Board of Directors of the Company from time to time as necessary.

The term "legal proceedings" as referred to in the preceding paragraph includes any legal action brought before a court and any arbitration application submitted to an arbitration institution.

Article 11. The Company may invest in other entities provided that, unless otherwise provided by law, it shall not become an investor that is jointly and severally liable for the liabilities owed by the invested company.

Article 12. The Company shall keep the Articles of Association, the shareholder register (both original and duplicate copies), corporate bond certificates, minutes of the general meetings of shareholders, minutes of the Board of Directors meetings, minutes of the Supervisory

Committee meetings as well as financial and accounting reports at its office.

Chapter 2 Objectives and Scope of Business

Article 13. The business objectives of the Company are as follows: to adapt applicable advanced technology and scientific method of operation and management; to enhance product quality; to develop new information and telecommunications products; to focus on its core business while diversifying its products and business activities; to consolidate its domestic market position while expanding its international market; to ensure the competitiveness of its products in terms of quality, price and services; to increase economic efficiency; and to provide investors with satisfactory returns on their investments.

Article 14. The Company's scope of business shall be consistent with the scope of business approved by the authority responsible for the Company's registration.

The scope of business of the Company shall cover: production of program-controlled exchange systems, multi-media communication systems and communication transmission systems; research and production of mobile communication system equipment, satellite communications, microwave communication equipment, pagers, technical design, development, consultancy and services for projects of computer software/hardware, closed-circuit TV, microwave communications, automatic signal controls, computer data processing, process control systems, disaster warning system, new energy power generation and application systems; technical design, development, consultancy and services for wireline/wireless communication projects of railways, underground railways, urban rail transport, highways, mining plants, port terminals and airports (excluding restricted projects); research and development, production, sales, technical servicing, work installation and maintenance of communication power source and power distribution systems; research and development, production, sales, technical servicing, work installation and maintenance of data centre infrastructure and ancillary products (including power supply and distribution, air-conditioning refrigeration equipment, cooling passage and smart management systems); purchase and sales of electronic equipment and micro-electronic parts and components (excluding items subject to exclusive licenses, controls and distributorships); undertaking as contractor overseas and relevant projects as well as domestic projects subject to international tendering, import and export of equipment and materials required for the aforesaid overseas projects and deployment of staff responsible for implementing such overseas projects; technical development and purchase and sales of electronic system equipment (excluding restricted projects and items subject to exclusive licenses, controls and distributorships); undertaking of import and export businesses (under the certificate of qualifications issued by the Trade Development Council); undertaking of telecommunication projects as professional contractors (subject to the obtaining of a certificate of qualifications); leasing of owned properties; technological certification services; real estate development and operation. With the approval of the general meeting and relevant government authorities, the Company may lawfully modify and adjust its scope of business and mode of operation in response to changes in the domestic and international markets and its business development and capabilities.

Chapter 3 Shares and Registered Capital

Article 15. Shares of the Company shall be in the form of share certificates.

Article 16. The Company shall have ordinary shares at all times. The Company's issued ordinary shares include domestic shares and foreign shares. The Company may, according to its

needs and subject to the approval by the companies' approval authority authorized by the State Council, create other classes of shares.

Article 17. All shares issued by the Company shall have a par value of Renminbi 1 per share.

The term "Renminbi" referred to in the preceding paragraph means the legal currency of the PRC.

Article 18. Shares shall be issued in accordance with the principles of fairness and justice so that each of the shares of the same class shall carry the same rights.

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

Article 19. Subject to the approval of the securities regulatory authority of the State Council, the Company may issue shares to domestic investors and overseas investors.

The term "overseas investors" referred to in the preceding paragraph means investors located in foreign countries, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan, who subscribe for shares issued by the Company. The term "domestic investors" means investors located in the PRC, excluding the regions mentioned above, who subscribe for shares issued by the Company.

Article 20. Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currencies are referred to as foreign shares. Foreign shares listed overseas are referred to as overseas-listed foreign shares.

The term "foreign currencies" referred to in the preceding paragraph means the legal currencies (other than Renminbi) of other countries or regions which are recognized by the department in charge of foreign exchange of the State and which can be used to pay the share price to the Company.

Article 21. Foreign shares issued by the Company and listed in Hong Kong shall be referred to as "H Shares". H Shares are shares which have been admitted for listing on the SEHK with a par value denominated in Renminbi and are subscribed for and traded in Hong Kong dollars.

Article 22. The domestic shares of the Company shall be centralized and held in custody by the Shenzhen Branch of the China Securities Depository & Clearing Corporation Limited. H shares of the Company shall either be held by the central depository of Hong Kong Securities Clearing Company Limited or held by the individual shareholders in their own names.

Article 23. Upon the approval by the companies' approval authority authorized by the State Council, the total number of ordinary shares issued at the time of the establishment of the Company was 250,000,000, of which 185,000,000 shares were issued to the promoters, representing 74% of the total number of ordinary shares issued at the time of the establishment of the Company. With respect to such shares, Shenzhen Zhongxingxin Telecommunications Equipment Company Limited acquired 157,000,000 shares by contribution in the form of operating assets, Shenzhen Zhaoke Investment Development Co., Limited acquired 8,000,000 shares by contribution in cash, Hunan Nantian (Group) Company Limited acquired 5,000,000 shares by contribution in cash while each of China Precision Machinery Import & Export Shenzhen Company, Lishan Microelectronics Corporation, Shaanxi Telecommunications

Industrial Company, China Mobile No.7 Research Institute, Jilin Posts and Telecommunications Equipment Company and Hebei Posts and Telecommunications Equipment Company acquired 2,500,000 shares by contribution in cash.

Upon verification by Zhonghua (Shekou) Certified Public Accountants, the aforementioned promoters have made their respective capital contribution before 14 October 1997.

Article 24. Subsequent to its establishment, the Company shall issue 4,613,434,898 ordinary shares, comprising 755,502,534 H Shares, accounting for 16.38% of the total number of ordinary shares issuable by the Company; and 3,857,932,364 Domestic Shares, accounting for 83.62% of the total number of ordinary shares issuable by the Company.

Article 25. The Company's proposal for the issuance of overseas-listed foreign shares and domestic shares, upon approval by the CSRC, may be implemented by the Board of Directors through separate offerings.

The Company may implement its proposal for separate offerings of overseas-listed foreign shares and domestic shares pursuant to the preceding paragraph within fifteen months from the date of approval by the CSRC.

Article 26. Where the Company issues overseas-listed foreign shares and domestic shares within the total number of shares stated in the Company's proposal for the issuance of shares, such shares shall be fully subscribed for at one time respectively. If the shares cannot be fully subscribed for at one time due to special circumstances, the shares may be issued in separate offerings subject to the approval of the CSRC.

Article 27. The registered capital of the Company shall be RMB4,613,434,898.

Article 28. The Company may, according to its business and development needs, approve an increase of its capital in accordance with the relevant provisions of the Articles of Association.

The Company may increase its capital in the following ways:

1) by public share offering;

2) by non-public share offering;

3) by allotting bonus shares to its existing shareholders;

4) by capital increase by conversion from common reserve funds;

5) by any other means permitted by laws and administrative regulations as well as upon the approval of the CSRC.

The Company's increase of share capital through issuance of new shares, after approval is obtained in accordance with the provisions of the Articles of Association, shall be implemented in accordance with the procedures set out in the relevant laws and administrative regulations of the State.

Article 29. Unless otherwise provided for by laws and administrative regulations, shares of the Company are freely transferable and are not subject to any lien.

Instruments of transfer and other documents which relate to or may affect the right of any

registered shares are required to be registered with share registries entrusted by the Company.

Article 30. The Company does not accept pledges being created over the Company's shares.

Article 31. Shares held by promoters shall not be transferred within one year from the date of establishment of the Company.

During their terms of office, directors, supervisors, the president and other senior officers shall periodically report to the Company their shareholdings in the Company and changes therein and shall not transfer during their terms of office more than 25% per year of the total number of shares of the Company which they hold; the shares held by them shall not be transferred within one year from the date on which the shares of the Company are first listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within six months from the date on which their resignation from the Company comes into effect.

Article 32. Any gains from any sale of domestic shares of the Company by any director, supervisor, senior officer or shareholder of the Company holding 5% or more of the shares of the Company within six months after their purchase of the same, and any gains from any purchase of domestic shares of the Company by any of the aforesaid parties within six months after sale of the same shall be disgorged and paid to the Company, and the Board of Directors of the Company shall recover such gains from the abovementioned parties, except that six-month time limit with respect to the sale of such shares shall not apply to any holding 5% or more of the shares of the Company by any securities company as a result of its purchase of remaining shares sold under an underwriting obligation.

If the Board of Directors of the Company fails to comply with the requirements in accordance with the preceding paragraph, a shareholder shall have the right to request the Board of Directors to effect the same within thirty days. If the Board of Directors fails to do so within the said time limit, a shareholder shall have the right to initiate proceedings in the People's Court directly in his own name for the interests of the Company.

If the Board of Directors of the Company fails to comply with the requirements in accordance with the first paragraph, the responsible director or directors shall assume joint and several liability in accordance with the law.

Chapter 4 Capital Reduction and Repurchase of Shares

Article 33. The Company may reduce its registered capital pursuant to the provisions of the Articles of Association.

Article 34. Where 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 of the date of the Company's resolution for reduction of registered capital and shall publish a public announcement in newspapers within thirty days of the date of such resolution. A creditor of the Company shall be entitled, within thirty days of the date of receipt of the notice from the Company or, in case of a creditor who has not received 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.

The Company's registered capital after the capital reduction may not be less than the minimum statutory amount.

Article 35. The Company may not repurchase its own shares, save as under the following circumstances:

1) reduction of the registered capital of the Company;

2) merging with another company that holds shares in the Company;

3) granting shares for staff shareholding plans or share option incentives;

4) acquiring the shares of shareholders who vote against to any resolution adopted at the general meeting of shareholders on the merger or division of the Company;

5) to use the shares for conversion into convertible corporate bonds issued by the Company;

6) being deemed necessary by the Company for the protection of the company's value and shareholders' interests; or

7) other circumstances permitted by the laws and administrative regulations.

If the Company repurchases its own shares under the circumstances set out in items (1) and (2) of the preceding paragraph, resolutions related thereto shall be adopted at a general meeting of shareholders. If the Company repurchases its own shares under items (3), (5) and (6) of the preceding paragraph, resolutions related thereto shall be adopted at the meeting of Board of Directors with more than two-thirds of the Directors attending subject to a mandate by the general meeting of shareholders. The Company's repurchase of its own shares shall be in compliance with the provisions of both the pertinent laws and regulations of its place of listing and the Listing Rules.

If the Company repurchases its own shares in accordance with paragraph one under the circumstances set forth in item (1), the shares so repurchased shall be cancelled within ten days of the repurchase; in the event of the circumstances set forth in items (2) and (4), the shares so repurchased shall be transferred or cancelled within six months; in the event of the circumstances set forth in items (3), (5) and (6), the shares in the Company held in aggregate by the Company shall not exceed 10% of the total number of the Company's shares in issue and the shares so repurchased shall be transferred or cancelled within three years.

Article 36. The Company may repurchase shares in one of the following ways:

1) by making a general offer for the repurchase of shares to all its shareholders on a pro-rata basis;

2) by repurchasing shares through public dealing on a stock exchange;

3) by repurchasing shares by means of an off-market agreement; or

4) by any other means permitted by laws and administrative regulations.

The repurchase of its shares by the Company under items (3), (5) and (6) of paragraph one of Article 35 herein shall be conducted by way of open block trading.

Article 37. The Company must obtain the prior approval of the shareholders at a general meeting in accordance with the Articles of Association before it can repurchase shares by means of an off-market agreement. The Company may, upon the prior approval of the

shareholders at a general meeting, release or vary any contract which has been entered into by the Company in a manner set forth above, or waive its rights thereunder.

The agreement for the repurchase of shares referred to in the preceding paragraph includes (without limitation) an agreement to assume the obligations of repurchasing shares or acquire the rights of repurchasing shares.

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

Article 38. Shares which have been legally repurchased by the Company shall be cancelled within the period prescribed by the laws and administrative regulations, and the Company shall apply to the Company's original registration authority for registration of the change of its registered capital.

The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.

Article 39. Unless the Company is in the course of liquidation, it must comply with the following provisions in relation to repurchasing its issued and outstanding shares:

1) where the Company repurchases shares at par value, payment shall be made out of book surplus distributable profits of the Company or out of the proceeds from a new issue of shares made for that purpose;

2) where the Company repurchases shares at a premium to the par value, payment up to the par value may be made out of the book surplus distributable profits of the Company or out of the proceeds from new issue of shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:

    1. if the shares being repurchased were issued at par value, payment shall be made out of the book surplus distributable profits of the Company;

    2. if the shares being repurchased were issued at a premium to the par value, payment shall be made out of the book surplus distributable profits of the Company or out of the proceeds from a new issue of shares made for that purpose, provided that the amount paid out of such proceeds shall not exceed the aggregate of the premiums received by the Company on the issue of the shares repurchased nor shall it exceed the book value of the Company's capital common reserve fund (including the premiums on the new issue) at the time of the repurchase.

3) the Company shall make payments for the following uses out of the Company's distributable profits:

    1. acquisition of the right to repurchase its own shares;

    2. variation of any contract for the repurchase of its shares;

    3. release of its obligation(s) under any contract for repurchasing its shares;

4) after the Company's registered capital has been reduced by the aggregate par value of the cancelled shares in accordance with the relevant regulations, the amount deducted from the distributable profits of the Company for payment of the par value of the repurchased shares

shall be transferred to the Company's capital common reserve fund.

Chapter 5 Financial Assistance for the Acquisition of the Company's Shares

Article 40. The Company and its subsidiaries (including the entities under the Company) shall not, by way of a gift or by granting an advance, guarantee, compensation, loan or otherwise at any time, provide any form of financial assistance to a person who acquires or proposes to acquire shares in the Company. The person who acquires shares in the Company set forth above includes any person who directly or indirectly assumes any obligations as a result of the acquisition of shares in the Company.

Neither the Company nor its subsidiaries (including the entities under the Company) shall, by any means at any time, provide financial assistance to such person for the purposes of reducing or discharging the obligations assumed by such person.

This Article shall not apply to the circumstances referred to in Article 42 in this Chapter.

Article 41. For the purposes of this Chapter, the term "financial assistance" shall include (without limitation):

1) gifts;

2) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), compensation (other than compensation in respect of the Company's own default) or release or waiver of any rights;

3) provision of a loan or entering into any other agreement under which the obligations of the Company are to be fulfilled prior to the fulfilment of obligations of another party to the agreement, or a change in the parties to, or the assignment of rights under, such a loan or agreement;

4) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.

For the purposes of this Chapter, the "assumption of obligations" means the assumption of obligations by way of contract or by way of arrangement (irrespective of whether such contract or arrangement is enforceable or not, and irrespective of whether such obligations are to be borne by the obligor solely or jointly with other persons), or by any other means which results in a change in the Company's financial position.

Article 42. The following activities shall not be treated as activities prohibited under Article 40 of this Chapter:

1) the provision of financial assistance by the Company where the financial assistance is provided in good faith in the interests of the Company and the principal purpose of which is not for the acquisition of shares in the Company, or where the provision of financial assistance is an incidental part of some overall plan of the Company;

2) the lawful distribution of the Company's assets by way of dividends;

3) the allotment of bonus shares as dividends;

4) a reduction of registered capital, a repurchase of shares of the Company or a reorganisation of the share capital structure of the Company effected in accordance with the Articles of Association;

5) loans made by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of its distributable profits);

6) the monetary contribution by the Company to the employee share option schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of its distributable profits).

Chapter 6 Share Certificates and Register of Members

Article 43. The share certificates of the Company shall be in registered form.

In addition to those provided in the Company Law, a share certificate of the Company shall also contain any other items required to be specified by the stock exchange on which the shares of the Company are listed.

Article 44. The share certificates shall be signed by the Chairman of the Board of Directors. Where the stock exchange on which the shares of the Company are listed requires the share certificates to be signed by other senior officers, the share certificates shall also be signed by such senior officers. The share certificates shall take effect after being affixed with the company seal (including the Company's securities seal) or a machine-imprinted seal of the Company. The share certificates shall only be affixed with the company seal or the Company's securities seal with the authorization of the Company's Board of Directors. The signatures of the Chairman of the Board of Directors or other relevant senior officers may also be in a machine-imprinted format.

Article 45. The Company shall keep a register of members which shall contain the following particulars:

1) the name (title), address (place of domicile), occupation or nature of business of each shareholder;

2) the class and number of shares held by each shareholder;

3) the amount paid-up or payable in respect of shares held by each shareholder;

4) the share certificate numbers of the shares held by each shareholder;

5) the date on which each shareholder was entered in the register as a shareholder; and

6) the date on which any shareholder ceased to be a shareholder.

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

Article 46. The Company may, in accordance with the mutual understanding and agreements made between the securities regulatory authority under the State Council and overseas securities

regulatory authorities, keep its register of holders of overseas-listed foreign shares overseas and appoint overseas agent(s) to manage such register. The original register of holders of overseas-listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.

The Company shall maintain a duplicate of the register of holders of overseas-listed foreign shares at its place of domicile. The appointed overseas agent(s) shall ensure consistency between the original version and the duplicate register of holder of overseas-listed foreign shares at all times.

If there is any inconsistency between the original and the duplicate register of holders of overseas-listed foreign shares, the original version shall prevail.

Article 47. The Company shall maintain a complete register of members.

The register of members shall include the following parts:

1) the register of members which is maintained at the Company's place of domicile (other than those share registers which are described in paragraphs (2) and (3) of this Article);

2) the register of members in respect of the holders of overseas-listed foreign shares of the Company which is maintained at the place where the overseas stock exchange on which the shares are listed is located; and

3) the register of members which is maintained in such other place as the Board of Directors may consider necessary for the purposes of listing of the Company's shares.

Article 48. Different parts of the register of members shall not overlap one another. No transfer of the shares registered in any part of the register shall, during the continuance of that registration, be registered in any other part of the register.

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

Article 49. All fully paid-up H shares are freely transferable pursuant to the Articles of Association. The Board of Directors may refuse to recognize any instrument of transfer without explanation unless such transfer is carried out in compliance with the following conditions:

1) payment of HK$2.50 per instrument of transfer or such higher fees as set by the SEHK in the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the "Listing Rules") has been paid to the Company to register the instrument of transfer of shares and other documents relating to or which may affect the ownership of such shares;

2) the instrument of transfer involves only H Shares;

3) the stamp duty payable on the instrument of transfer has been paid;

4) the relevant share certificates and evidence reasonably required by the Board of Directors showing that the transferor has the right to transfer such shares ;

5) if the shares are to be transferred to joint holders, the number of such joint holders shall not exceed four; and

6) the Company has not created any lien over the relevant shares.

The H shares of the Company shall be transferred by a written instrument of transfer in an ordinary or usual form or any other form acceptable to the Board of Directors. The instrument of transfer may only be signed under hand, or where the transferor or transferee is a clearing institution or its nominee, it may be signed under hand or in a machine-imprinted format. All instruments of transfer shall be maintained at the legal address of the Company or such other places as the Board of Directors may specify from time to time.

Article 50. Where a period of book closure prior to the convening of general meetings or the record date for the determination of the Company's dividend distribution is provided for under laws, administrative regulations, departmental rules, regulatory documents and by relevant stock exchanges or regulatory authorities of the places where the Company is listed, such provision shall prevail.

Article 51. When the Company intends to convene a general meeting of shareholders, distribute dividends, enter into liquidation or engage in other activities that involve confirmation of the identity of a shareholder, the convenor of the Board of Directors or general meeting shall determine a specific day for confirmation of shareholding. Shareholders named in the register of members after the trading session on the date of confirmation of shareholding shall be the shareholders who are entitled to relevant rights and interests .

Article 52. Any person who objects to the register of members and requests to have his name included in or removed from the register of members may apply to the court of relevant jurisdiction to correct the register of members.

Article 53. Any person who is registered in, or requests to have his name entered into, the register of members may, if his share certificate (the "Original Certificate") is lost, apply to the Company for a replacement share certificate in respect of such shares (the "Relevant Shares").

If a holder of the domestic shares loses his share certificate and applies for a replacement share certificate, it shall be dealt with in accordance with the pertinent provisions of the Company Law.

If a holder of overseas-listed foreign shares loses his share certificate and applies for a replacement share certificate, it may be dealt with in accordance with the relevant laws, the listing rules of the stock exchange and other relevant regulations of the place where the original register of holders of overseas-listed foreign shares is maintained.

If a holder of overseas-listed foreign shares listed in Hong Kong loses his share certificate and applies for a replacement share certificate, such share certificate shall be issued in compliance with the following requirements:

1) The applicant shall submit an application to the Company in the form prescribed by the Company accompanied by a notarisation certificate or statutory declaration containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificate as well as declaring that no other person is entitled to be registered as the shareholder of the Relevant Shares.

2) Before the Company decides to issue the replacement share certificate, no statement made by a person other than the applicant requesting that he shall be registered as the shareholder in respect of the Relevant Shares has been received.

3) The Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such

newspapers as may be designated by the Board of Directors and as in compliance with the relevant requirements; the relevant announcement shall be published in newspapers which are in compliance with the relevant requirements. The announcement shall be made at least once every thirty days for a period of ninety days.

4) The Company shall have, prior to the publication of its intention to issue a replacement share certificate, delivered to the stock exchange on which its shares are listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of ninety days.

   In case an application to issue a replacement share certificate has been made without the consent of the registered holder of the Relevant Shares, the Company shall deliver by mail to such registered shareholder a copy of the announcement to be published.

5) If, by the expiration of the 90-day period referred to in paragraphs (3) and (4) of this Article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant accordingly.

6) Where the Company issues a replacement share certificate in accordance with this Article, it shall forthwith cancel the Original Certificate and record the cancellation and replacement matters in the register of members accordingly.

7) All expenses relating to the cancellation of an Original Certificate and the issuance of a replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.

Article 54. After the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case where he is a bona fide purchaser) shall not be deleted from the register of members.

Article 55. The Company shall not have any obligation to indemnify any person for any damages suffered arising out of the cancellation of the Original Certificate or the issuance of a replacement share certificate, unless the person concerned can prove that the Company has committed a fraudulent act.

Chapter 7 Rights and Obligations of Shareholders

Article 56. A shareholder of the Company is a person who lawfully holds shares of the Company and has his name recorded in the register of members.

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he holds. Holders of the same class of shares shall enjoy the same rights and assume the same obligations.

In case of joint holders, if one of the joint holders dies, only the surviving joint holders shall be deemed by the Company to be such persons as having the ownership of the relevant shares. The Board of Directors shall have the right, for the purpose of making amendments to the register of members, to demand a death certificate where it deems appropriate to do so. In case of joint holding of shares, only the joint holder whose name appears first in the register of members is

entitled to receive the Relevant Shares and the Company's notices, and to attend and exercise voting rights at a general meetings of the Company. Any notice delivered to that person shall be deemed as having been delivered to all joint holders of the Relevant Shares.

Article 57. Holders of the ordinary shares of the Company shall enjoy the following rights:

1) the right to dividends and other profit distributions in proportion to the number of shares held;

2) the right to propose, convene and preside over the general meetings of shareholders, to attend or appoint a proxy to attend and to exercise the corresponding voting right thereat in accordance with the law;

3) the right to supervise the Company's business operations, and the right to present proposals or raise enquiries;

4) the right to transfer, give as a gift or pledge the shares in their possession in accordance with the laws, administrative regulations and provisions of the Articles of Association;

5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including:

(I) the right to obtain a copy of the Articles of Association, subject to payment of relevant costs;

(II) the right to inspect and copy, subject to payment of a reasonable fee:

(i) all parts of the register of members;

(ii) personal particulars of each of the Company's directors, supervisors, president, and other senior officers, including:

(a) present and former name or alias;

(b) principal address (place of domicile);

(c) nationality;

(d) primary and all other part-time occupations and duties;

(e) identification document and its number;

(iii) reports on the status of the Company's share capital;

(iv) reports showing the aggregate par value, quantity, highest and lowest price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount paid by the Company for this purpose;

(v) minutes of the general meetings of shareholders;

(vi) corporate bond certificates;

(vii) resolutions of the Board of Directors' meeting;

(viii) resolutions of the Supervisory Committee;

(ix) financial and accounting reports.

Shareholders demanding inspection of the relevant information or copies of the materials mentioned in the preceding provision shall provide to the Company written documents indicating the class and number of shares they hold. After confirmation of the shareholder's identity, the Company shall provide such information based on the shareholder's request and the requirements of the Articles of Association.

6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in accordance with the number of shares held;

7) with respect to shareholders who vote against any resolution adopted at the general meeting of shareholders on the merger or division of the Company, the right to demand the Company to acquire the shares held by them; and

8) other rights conferred by the laws, administrative regulations and the Articles of Association.

Article 58. If a resolution of a general meeting of shareholders or the Board of Directors violates any law and administrative regulation, the shareholders shall have the right to petition to the People's Court to render the same as invalid.

If the procedures for convening a meeting of, or the method of voting at, a general meeting or the Board of Directors violate any law, administrative regulation or the Articles of Association, or the content of a resolution violates the Articles of Association, shareholders may petition the People's Court to rescind such resolutions within sixty days from the date on which such resolution is passed.

If the Company has carried out the change of registration particulars in accordance with the resolution of the general meeting of shareholders or the Board of Directors and the People's Court has declared that the resolution is invalid or the resolution has been rescinded, the Company shall apply to the company registration authority for rescission of the change in registration.

Article 59. Where the Company incurs losses as a result of directors and senior officers having violated any provision of law, administrative regulation or the Articles of Association in the course of performing their duties with the Company, shareholders alone or in aggregate holding 1% or more of the Company's shares for one hundred and eighty consecutive days or more shall be entitled to request in writing the Supervisory Committee to initiate proceedings in the People's Court; where the Company incurs losses as a result of the Supervisory Committee having violated any provision of law, administrative regulation or the Articles of Association in the course of performing its duties with the Company, shareholders alone or in aggregate holding 1% or more of the shares for one hundred and eighty consecutive days or more shall be entitled to request in writing that the Board of Directors should initiate proceedings in the People's Court.

In the event that the Supervisory Committee or the Board of Directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within thirty days from the date on which such request is

received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the People's Court directly in their own name in the interest of the Company.

Shareholders described in the first paragraph of this Article may also initiate proceedings in the People's Court in accordance with the preceding two paragraphs in the event that the lawful interests of the Company was infringed upon by third parties.

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

1) to abide by the laws, administrative regulations and the Articles of Association;

2) to pay the subscription monies based on the number of shares subscribed for and the method of subscription;

3) to withdraw their shares unless required by laws and regulations;

4) not to abuse their shareholders' rights to harm the interests of the Company or other shareholders, and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interest of any creditor.

   If a shareholder of the Company abuses its shareholder's rights and thereby causes loss on the Company or other shareholders, such shareholder shall be liable for damages in accordance with the law.

   If a shareholder of the Company abuses the Company's independent legal person status and the limited liability of shareholders for the purposes of avoiding debts, resulting in materially impairing the interests of the creditors of the Company, such shareholder shall be jointly and severally liable for the debts owed by the Company; and

5) to assume other obligations required by the laws, administrative regulations and the Articles of Association.

Shareholders shall not be liable to make any further contributions to the share capital other than according to the terms agreed by the subscribers at the time of share subscription.

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

Article 62. In addition to obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchange on which the shares of the company are listed, a controlling shareholder shall not exercise his voting rights in respect of the following matters in a manner prejudicial to the interests of all or part of the shareholders of the Company:

1) to relieve a director or supervisor of his duty to act honestly in the best interests of the Company;

2) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person), in any way, of the Company's assets, including (without limitation) opportunities beneficial to the Company; and

3) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person) of individual rights of other shareholders, including (without limitation) rights to distributions and voting rights save pursuant to a restructuring submitted to shareholders for approval at a general meeting in accordance with the Articles of Association.

Article 63. The term "controlling shareholder" as referred to in the preceding provision means a person who satisfies any one of the following conditions:

1) he alone or acting in concert with others has the power to elect not less than half of the Board of Directors;

2) he alone or acting in concert with others has the power to exercise or to control the exercise of not less than 30% of the voting rights;

3) he alone or acting in concert with others holds not less than 30% of the issued and outstanding shares of the Company; or

4) he alone or acting in concert with others in any other manner has de facto control over the Company.

For the purposes of this Article, the term "acting in concert" means two or more than two persons reaching an unanimous agreement (either in verbal or written form) to achieve or strengthen their control over the Company by way of obtaining the voting rights by any such person.

Article 64. The controlling shareholder and persons who exercise effective control over the Company have a fiduciary duty towards the Company and its public shareholders. They shall not take advantage of their connected relationship with the Company to act in detriment to the interests of the Company. If they have violated the aforesaid provision and caused damage to the Company, they are liable for the damage to the Company. The controlling shareholder shall execute its rights as an investor in strict compliance with the law. The controlling shareholder shall not adversely affect the legal interests of the Company and its public shareholders through connected transactions, profit distribution, asset restructuring, foreign investment, use of capital, lending guarantees and shall not exercise its powers against the interests of the Company and public shareholders.

For the purposes hereof, the term "persons who exercise effective control over the Company" means the persons, not being shareholders of the Company, who are able to exercise control over the acts of the Company through an investment relationship, agreement or other arrangement.

Article 65. The Company shall take an active role in establishing an adequate system of investor relationship management and enhance communications between the Company and its shareholders, especially its public shareholders, through various channels. The Secretary to the Board of Directors shall be responsible for the management of investor relationships of the Company.

Chapter 8 General Meetings of Shareholders

Section 1 General Requirements in respect of the General Meeting of Shareholders

Article 66. The general meeting of shareholders is the Company's authoritative organ which

shall exercise its functions and powers in accordance with law.

Article 67. The general meeting of shareholders shall have the following powers:

1) to decide on the Company's operational policies and investment plans;

2) to elect and replace directors and decide on matters relating to their remuneration;

3) to elect and replace supervisors who are appointed from the shareholders' representatives and decide on matters relating to their remuneration;

4) to consider and approve the reports of the Board of Directors;

5) to consider and approve the reports of the Supervisory Committee;

6) to consider and approve the Company's proposed annual financial budgets and final accounts;

7) to consider and approve the Company's profit distribution plans and loss recovery plans;

8) to consider and approve the provision of guarantees in accordance with relevant provisions of the Articles of Association;

9) to decide on the increase or reduction of the Company's registered capital;

10) to decide on matters such as merger, division, changing in the form, dissolution and liquidation of the Company;

11) to decide on the issue of debentures by the Company;

12) to decide on the appointment, dismissal and non-reappointment of the accountants of the Company;

13) to amend the Articles of Association of the Company;

14) to consider motions raised by shareholders who represent not less than 3% of the total number of voting shares of the Company;

15) to consider the Company's significant acquisition or disposal of material assets with a value exceeding 30% of the latest audited total assets of the Company during the year;

16) to consider and approve changes in the use of proceeds;

17) to consider and approve share incentive schemes; and

18) to decide on other matters which, according to the laws, administrative regulations and the Articles of Association, should be resolved by the shareholders in general meetings.

Article 68. Unless the Company is in a critical situation or under other special circumstances, the Company shall not, without the prior approval of shareholders in general meeting, enter into any contract with any person (other than a director, supervisor, president or other senior officers) pursuant to which such person shall be responsible for the management of the whole or any substantial part of the Company's business.

Article 69. General meetings of shareholders are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board of Directors. Annual general meetings shall be convened once every year and within six months from the end of the preceding accounting year.

The Board of Directors shall convene an extraordinary general meeting within two months of the occurrence of any of the following events:

1) where the number of directors is less than the number stipulated in the Company Law or two-thirds of the number specified in the Articles of Association;

2) where the unrecovered losses of the Company amount to one-third of the total amount of its paid-up capital;

3) where shareholder(s) holding not less than 10% of the Company's issued and outstanding voting shares request(s) in writing for an extraordinary general meeting to be convened;

4) where the Board of Directors deems it necessary or the Supervisory Committee so requests;

5) whenever not less than half of the independent non-executive directors so request; and

6) other circumstances prescribed by laws, administrative regulations and Articles of Association.

Article 70. The place for convening a general meeting of shareholders shall be the place where the Company is located (in Shenzhen Municipality).

The general meeting shall have a meeting place for convening the meetings. The Company shall, subject to the general meetings being legally and validly held, make it convenient for the shareholders to attend the general meetings through online voting. Shareholders so attend the general meetings shall be deemed to be present at such meeting.

Section 2 Summon of the General Meetings of Shareholders

Article 71. Unless otherwise stipulated in the laws and regulations as well as the Articles of Association, the general meetings of shareholders shall be convened by the Board of Directors.

Article 72. Independent Non-executive Directors shall be entitled to propose the convening of extraordinary general meetings of shareholders to the Board of Directors. The Board of Directors shall, in accordance with provisions of the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten days after receiving such proposal of the same from the Independent Non-executive Directors.

In the event that the Board of Directors agrees to convene an extraordinary general meeting, the notice of general meeting shall be issued within five days after the passing of the relevant Board resolution. In the event that the Board of Directors does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given by way of announcement.

Article 73. The Supervisory Committee shall be entitled to propose the convening of extraordinary general meetings of shareholders to the Board of Directors, provided that such proposal shall be made in writing. The Board of Directors shall, in accordance with provisions of the laws, administrative regulations and the Articles of Association, furnish a written reply

stating its agreement or disagreement to the convening of an extraordinary shareholder general meeting within ten days after receiving such proposal of the same.

In the event that the Board of Directors agrees to convene an extraordinary general meeting, the notice of general meeting shall be issued within five days after the passing of the relevant resolution of the Board of Directors. Any changes to the original proposal made in the notice shall require prior approval of the Supervisory Committee.

In the event that the Board of Directors does not agree to convene an extraordinary general meeting or does not furnish any reply within ten days after receiving such proposal, the Board of Directors shall be deemed as incapable of performing or failing to perform the duty of convening a general meeting, in which case the Supervisory Committee may convene and preside over such meeting on an unilateral basis.

Article 74. Shareholders alone or in aggregate holding 10% or more of the Company's shares shall be entitled to request the Board of Directors to convene extraordinary general meetings of shareholders, provided that such request shall be made in writing. The Board of Directors shall, in accordance with provisions of the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting of shareholders within ten days after receiving such proposal of the same.

In the event that the Board of Directors agrees to convene an extraordinary general meeting, the notice of general meeting shall be issued within five days after the passing of the relevant resolution of the Board of Directors. Any changes to the original request made in the notice shall require prior approval of the shareholders concerned.

In the event that the Board of Directors does not agree to convene an extraordinary general meeting or does not furnish any reply within ten days after receiving such proposal, shareholders alone or in aggregate holding 10% or more of the Company's shares shall be entitled to propose to the Supervisory Committee the convening of extraordinary general meeting, provided that such proposal shall be made in writing.

In the event that the Supervisory Committee agrees to convene an extraordinary general meeting, the notice of general meeting shall be issued within five days after receiving such request. Any changes to the original request made in the notice shall require prior approval of the shareholders concerned.

Failure of the Supervisory Committee to issue a notice of general meeting within the stipulated period shall be deemed as failure of the Supervisory Committee to convene and preside over a general meeting, and shareholders alone or in aggregate holding 10% or more of the Company's shares for ninety consecutive days or more shall be entitled to convene and preside over the meeting on an unilateral basis.

Article 75. If the Supervisory Committee or shareholders determine to convene a general meeting of shareholders on their own, they shall give a written notice to the Board of Directors and file the same with the local office of CSRC at the place where the Company is located and the stock exchange for records.

The shareholding proportion of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the general meeting.

The convening shareholder shall submit relevant evidence to the local office of CSRC at the

place where the Company is located and the stock exchange upon the issuance of the notice of general meeting and the announcement of the resolutions of the general meeting.

Article 76. The Board of Directors and the secretary to the Board of Directors shall cooperate with respect to matters relating to general meeting of shareholders convened by the Supervisory Committee or the shareholders at their own discretion. The Board of Directors shall provide the shareholder registers as of the date of shareholding confirmation.

If a general meeting of shareholders is convened by the Supervisory Committee or the shareholders on their own, all necessary expenses arising therefrom shall be borne by the Company.

Section 3 Proposing Motion at and Notice of General Meeting of Shareholders

Article 77. The substance of the motion proposed shall fall within the terms of reference of the general meeting of shareholders, which shall have a clear subject for discussion and specific issues for resolution and shall be in compliance with the laws, administrative regulations and the Articles of Association.

Article 78. Whenever the Company convenes a general meeting of shareholders, the Board of Directors, the Supervisory Committee and shareholder(s) alone or in aggregate holding 3% or more of the total number of the Company's shares shall have the right to propose motions to the Company.

Shareholder(s) alone or in aggregate holding 3% or more of the total number of the Company's shares shall have the right to propose an *ex tempore* motion ten days prior to the general meeting by furnishing the same to the convener in writing. The convener shall issue a supplemental notice of general meeting within two days after receiving the proposed motion to make public the contents of the *ex tempore* motion.

Save as provided above, the convener shall not amend motions stated in or add new motions to the notice of general meeting after the same has been issued and announced.

No voting or resolution shall be effected or adopted at the general meeting for motions that have not been stated in the notice of general meeting or that do not comply with Article 77 of the Articles of Association.

Article 79. A written notice of meeting shall be given at least twenty days before the date of an annual general meeting and at least fifteen days before the date of an extraordinary general meeting to be convened by the Company to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.

Article 80. An extraordinary general meeting shall not decide on any matter not stated in the notice for the meeting.

Article 81. A notice of general meeting shall satisfy the following criteria:

1) be in writing;

2) specify the place, date and time of the meeting as well as the duration for the meeting;

3) state the matters to be discussed at the meeting;

4) provide such information and explanation as is necessary for the shareholders to make an informed decision on the proposals put before them. Without limiting the generality of the foregoing, where a proposal is made to merge the Company with another, to repurchase the shares of the Company, to reorganise its share capital, or to restructure the Company in any other way, the terms of the proposed transaction must be provided in detail together with copies of the proposed agreement (if any), and the cause and effect of such proposal must be properly explained;

5) contain a disclosure of the nature and extent of the material interests (if any) of any directors, supervisors, president and other senior officers in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of other shareholders of the same class;

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

7) contain a conspicuous statement that a shareholder entitled to attend and vote at such meeting is entitled to appoint one or more proxies to attend and vote at such meeting on his behalf and that a proxy need not be a shareholder;

8) specify the time and place for lodging proxy forms for the relevant meeting;

9) contain the date of registration of the shares of the holders who are entitled to attend the general meeting; and

10) contain the name and phone number of the coordinator of the meeting.

Article 82. If matters relating to election of directors and supervisors are proposed to be discussed at a general meeting of shareholders, detailed information concerning the directors' and supervisors' candidates shall be fully disclosed in the notice of the shareholder's general meeting, which shall at least include the following:

1) personal information relating to their educational background, working experience and all other positions undertaken on a part-time basis etc.;

2) whether or not they are in connection with the Company or its controlling shareholders or persons who exercise effective control over the Company;

3) disclosure of their shareholdings in the Company; and

4) whether or not they have been subject to any punishment by the CSRC or other relevant department or to any sanction by any stock exchange.

In addition to the adoption of cumulative voting system for election of directors and supervisors, motions relating to each of the directors' and supervisors' candidates shall be proposed on an individual basis.

Article 83. Notices of general meetings and relevant documents shall be delivered to shareholders (whether or not entitled to vote at the general meetings) in person or by prepaid mail sent to their respective addresses as recorded in the shareholders' register. Notices of general meetings, circulars to shareholders and relevant documents for domestic shareholders may also be delivered by way of announcements. The delivery of notices of general meetings, circulars to shareholders and relevant documents to holders of overseas-listed foreign shares

may be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.

The announcements referred to in the foregoing paragraph shall be published in one or several approved newspapers designated by the securities regulatory authorities under the State Council. All domestic shareholders shall be deemed to have received the relevant notices of general meetings once such announcements have been published.

Where notices of general meetings and relevant documents are delivered by the Company to holders of overseas-listed foreign shares, such notices of general meetings and relevant documents may be delivered in either the English or Chinese version in accordance with the requirements and procedures set out in the Listing Rules.

Article 84. An accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions adopted thereat.

Article 85. Upon issuance of the notice of general meeting of shareholders, the general meeting shall neither be delayed nor cancelled without proper reasons.

Motions listed in such notice shall not be revoked. Once the general meeting is delayed or cancelled, the convenor shall make a public announcement stating the reasons therefor at least two working days prior to the date originally scheduled for convening the meeting.

Section 4 Convening of the General Meetings of Shareholders

Article 86. The Board of Directors of the Company together with other convenors thereof shall adopt necessary measures to maintain the normal order of the general meeting of shareholders. Measures shall also be adopted to stop any acts from interfering with the general meeting, creating quarrels and nuisance as well as infringing the lawful interests of the shareholders while timely report of the same shall also be made to the relevant authority for investigation.

Article 87. Any shareholder who is entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons as his proxies (whether such person is a shareholder or not) to attend and vote on his behalf. A proxy so appointed shall be entitled to exercise the following rights pursuant to the authorisation from that shareholder:

1) the shareholder's right to speak at the general meeting; and

2) the right to vote.

If the shareholder is a recognised clearing house (the ''Recognised Clearing House'') (or its agent) as defined under the laws of Hong Kong, such shareholder is entitled to authorise one or more persons as it deems appropriate as it proxies to attend on his behalf any general meeting or any class meeting provided that, if more than one person are so authorised, the letter of authorisation shall specify the number and class of shares of each of such persons in connection with such authorisation. Such persons can exercise the right on behalf of the Recognised Clearing House (or its agent) as if he were an individual shareholder of the Company.

Article 88. If an individual shareholder attends the meeting in person, such shareholder shall present his identity card and other valid certificates or evidence or stock account card which can be used to substantiate his identity. If a proxy is appointed to attend the meeting, the proxy shall

present his valid identity card and proxy form issued by the shareholder.

With respect to a legal person shareholder, its legal representative or a proxy appointed by the legal representative shall attend the meeting. If the legal representative attends the meeting, he shall present his own identity card, valid proof evidencing his qualification of serving as the legal representative. If a proxy is appointed to attend the meeting, the proxy shall present his own identity card and the written proxy form issued in accordance with the law by the legal representative of the legal person shareholder.

Article 89. The instrument appointing a proxy shall be in writing under the hand of the appointor or his agent duly authorized in writing, or if the appointor is a legal person, either under seal or under the hand of a director or a duly authorized person or agent.

Such letter of authorization shall state the number of shares to be represented by an agent. If several persons are so authorized, the letter of authorization shall specify the number of shares to be represented by each attorney.

Article 90. The proxy form issued by a shareholder to appoint a third party to attend the meeting on his behalf shall specify the following content:

1) the name of the proxy;

2) whether or not having the right to vote;

3) the respective instructions on voting in favour of, against or abstention from voting in respect of each item of businesses on the agenda of the general meeting of shareholders;

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

5) the signature (or seal) of the proxy. In case the proxy is a legal person shareholder within the PRC, the proxy form shall be affixed with the legal person seal thereon.

The proxy form shall specify whether or not the proxy may vote at his own discretion in the absence of any specific instruction from the shareholders.

Article 91. The instrument appointing a voting proxy shall be deposited at the place of domicile of the Company or at such other place as specified for that purpose in the notice convening the meeting, not less than twenty-four (24) hours before the time of the relevant meeting at which the proxy proposes to vote or the time designated for the passing of the resolution. If such instrument is signed by a person under a power of attorney on behalf of the appointor, such power of attorney or other authority shall be notarized. The notarized power of attorney or other authority shall concurrently be deposited with the instrument appointing the voting proxy at the place of domicile of the Company or at such other place as specified for that purpose in the notice convening the meeting.

If the appointor is a legal person, its legal representative or any person authorized by resolution of its Board of Directors or other governing body shall attend any general meeting as the appointor's agent.

Article 92. The shareholders' attendance register shall be prepared by the Company in which particulars relating to the members (or the enterprises) participating in the meeting shall be specified, including their names, identification numbers, places of domicile, the numbers of shares held or the numbers of voting shares, and names of the appointors.

Article 93. Any form issued to a shareholder by the Board of Directors or a convenor for the purpose of appointing a proxy shall be in such form as to enable the shareholder to freely instruct the proxy to vote in favour of or against the motions proposed and to give the respective instructions in respect of each individual matter to be voted at the meeting. Such a form shall contain a statement that, in the absence of specific instructions from the shareholder, the proxy may vote as he considers appropriate.

Article 94. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the death or loss of capacity of the appointor, revocation of the proxy or the authority under which the proxy was executed, or the transfer of the Relevant Shares , provided that the Company did not receive any written notice in respect of such matters before the commencement of the relevant meeting.

Article 95. The legal advisers retained by the convenor or the Company shall verify the legal eligibility of the shareholders based on the shareholder register provided by the securities registration and clearing authority and shall register the name of the shareholders together with the numbers of voting shares in their possession. Before the convenor of the meeting declares the number of shareholders and proxies present at the meeting as well as the total number of voting shares in their possession, the recording tasks for the meeting shall come to an end.

Article 96. When convening a general meeting of shareholders, all directors, supervisors and the secretary to the Board of Directors of the Company shall attend the meeting in person while the president and other senior officers shall attend the meeting as non-voting attendees.

Article 97. The general meeting of shareholders shall be chaired by the Chairman. If the Chairman is unable to attend the meeting for any reason, the meeting shall be convened and chaired by the Vice Chairman upon nomination by half or more of the number of the directors. In the event that both the Chairman and Vice Chairman are unable to attend the meeting, a director nominated by half or more of the number of the directors shall be the chairman of the meeting.

Where a general meeting is convened by the Supervisory Committee on its own, the meeting shall be presided over by the chairman of the Supervisory Committee. In the event that the chairman of the Supervisory Committee is incapable of performing or fails to perform his duties, the meeting shall be presided over by the vice chairman of the Supervisory Committee. In the event that the vice chairman of the Supervisory Committee is incapable of performing or fails to perform his duties, the meeting shall be presided over by a supervisor nominated by half or more of the number of supervisors.

Where a general meeting is convened by shareholders on their own, the meeting shall be presided over by a representative nominated by the convening shareholders.

In the event that when convening the general meeting, the person presiding over the general meeting violates the rules of procedures so that the meeting could not proceed, another person may be nominated to preside over the meeting with the approval of shareholders present at the meeting entitled to more than half of the voting rights.

Article 98. The Company shall formulate rules of procedures for the general meeting of shareholders that set out in details on the procedures for convening of and voting at a general meeting, including giving notice, completing recording tasks, considering motions, voting, counting votes, announcement of the voting results, adoption of resolutions at the meeting, minutes and execution thereof, making public announcement and other particulars, and that

specify the principles of conferring power upon the Board of Directors at the general meeting and the substance of such authorization. The rules of procedures for the shareholder's general meeting, as attached hereto as appendix, shall be developed by the Board of Directors and approved at the general meeting.

Article 99. At the annual general meeting of shareholders, the Board of Directors and the Supervisory Committee shall deliver their respective working reports for the previous year at the general meeting. Each of the independent non-executive directors shall also deliver their respective working reports.

Article 100. Directors, supervisors and senior officers present at the general meeting of shareholders shall provide response or explanation in connection with any query or recommendation raised by the shareholders, except for those relating to business secrets of the Company which shall not be disclosed during the general meeting of shareholders.

Article 101. The convenor of the meeting shall, prior to voting, declare the number of shareholders and proxies present at the meeting in person as well as the total number of voting shares in their possession. The number of shareholders and proxies present at the meeting in person as well as the total number of voting shares in their possession shall be subject to those recorded during the meeting.

Article 102. A general meeting of shareholders shall have minutes which shall be prepared by the secretary to the Board of Directors. Minutes of a general meeting of shareholders shall contain the following contents:

1) the date and venue for convening the meeting, meeting agenda and the name of the convenor of the meeting;

2) the name of person presiding over the meeting as well as those of the directors, supervisors, president and other senior officers who attend the meeting as voting and non-voting attendees;

3) the number of shareholders and proxies attending the meeting, the proportion of the number of voting shares represented by the respective holders of the domestic shares (including proxies) and holders of the overseas-listed foreign shares (including proxies) attending the general meeting to the total number of shares of the Company;

4) description on the entire course of consideration of each motion, the main points put forward by each speaker relating thereto, the results of the vote by holders of the domestic shares and holders of the overseas-listed foreign shares for each matter resolved;

5) details of queries and recommendations of the shareholders and the corresponding response or explanation in relation thereto;

6) the names of the legal advisers and persons responsible for counting the votes and for supervising the counting process; and

7) other contents which should be recorded in the minutes as provided for in the Articles of Association.

Article 103. The convenor shall ensure that the content of the minutes shall be true, accurate and complete. Attendees of the meeting, including the directors, supervisors, secretary to the Board of Directors, convenor or its representative and the person presiding over the meeting,

shall sign on the minutes. Minutes shall, together with the register relating to shareholders present at the meeting in person and by proxy by way of issuing a proxy form or via the Internet or otherwise, be kept for a period of not less than ten (10) years.

Article 104. The convenor shall ensure that a general meeting of shareholders is held on a continuous basis until final resolution is adopted. If a general meeting is suspended or no resolution can be adopted due to force majeure or other special reasons, requisite measures shall be adopted so as to promptly resume to convene the general meeting or to directly terminate the then general meeting, and public announcement relating thereto shall also be made on a timely fashion. At the same time, the convenor shall report the same to the local office of CSRC at the place where the Company is located and the stock exchange.

Section 5 Voting at and Resolutions of a General Meeting of Shareholders

Article 105. Resolutions of shareholders at a general meeting shall take the forms of ordinary resolutions and special resolutions.

Subject to the relevant provisions in this Section:

1) an ordinary resolution of the general meeting of shareholders shall be passed by votes representing not less than one-half of the voting rights represented by the shareholders (including proxies) attending the meeting;

2) a special resolution of the general meeting of shareholders shall be passed by votes representing not less than two-thirds of the voting rights represented by the shareholders (including proxies) attending the meeting.

Article 106. The following matters shall be passed by an ordinary resolution at a general meeting of shareholders:

1) working reports of the Board of Directors and the Supervisory Committee;

2) profit distribution plans and loss recovery plans formulated by the Board of Directors;

3) appointment and removal of members of the Board of Directors and Supervisory Committee, their remuneration and methods of payment of their remuneration;

4) annual budget and final accounts, balance sheets and profit and loss accounts and other financial statements of the Company; and

5) matters other than those required by laws and administrative regulations or the Articles of Association to be adopted by special resolution.

Article 107. The following matters shall be passed by a special resolution at a general meeting of shareholders;

1) an increase or reduction of share capital of the Company and the issue of any class of shares, warrants and other similar securities;

2) the issue of debentures of the Company;

3) the division, merger, change of the form, dissolution and liquidation of the Company;

4) any acquisition or disposition of material assets, or any provision of a guarantee, by the

Company within one year that are in excess of 30% of the latest audited total assets of the Company;

5) amendment of the Articles of Association;

6) the repurchase of the Company's shares;

7) the share incentive schemes; and

8) any other matters that, if resolved by way of an ordinary resolution of the general meeting, may have a material impact on the Company and shall be adopted by a special resolution.

Article 108. When voting at a general meeting of shareholders, a shareholder (including proxies) shall exercise his voting rights based on the number of voting shares represented by him. Each share shall carry one vote, provided that shares of the Company held by the Company shall have no voting rights and shall not be counted in the total number of voting shares represented at the general meeting.

Article 109. The Board of Directors, independent non-executive directors, shareholders holding voting shares of more than one percent, or investor protection institutions established in accordance with laws, administrative regulations, or regulations of the securities regulatory agency of the State Council may solicit from other shareholders their rights to vote in general meetings. The solicitation shall be without consideration and information shall be fully disclosed to such shareholders.

Article 110. In the course of considering matters relating to connected transactions at a general meeting of shareholders, the connected shareholders shall abstain from voting. The voting rights represented by the number of shares held by such shareholders shall be excluded from the total number of valid votes. The voting result of the non-connected shareholders shall be fully disclosed in the announcement of the resolution of the general meeting.

If, pursuant to the Listing Rules, a shareholder is required to abstain from voting or is restricted in voting only in favour of or against a particular motion, any vote cast by such shareholder (or its agent) which is in breach of the relevant provisions or restriction shall not be taken into account in the total number of valid votes.

Article 111. The list of directors' and supervisors' candidates shall be proposed in form of a motion to the general meeting of shareholders for resolution.

The Board of Directors shall make a public announcement to the shareholders concerning the biographies and general information of the directors' and supervisors' candidates.

Article 112. In addition to the cumulative voting system, voting for all motions proposed to a general meeting of shareholders shall be conducted on a item-by-item basis. If different motions have been proposed for the same matter, voting related thereto shall be conducted based on the chronological order of proposing the motions. Unless a general meeting is suspended or no resolution can be adopted due to force majeure or other special reasons, no motion shall be set aside or rejected for voting at the general meeting.

Article 113. When considering a motion at a general meeting of shareholders, no change will be made thereto; otherwise, the relevant change shall be treated as a new motion which cannot be proceed for voting at the then general meeting.

Article 114. The same right to vote can only be exercised by electing to vote at the scene, via the Internet or otherwise. If the same right to vote has been exercised twice, the result of the first voting shall prevail.

Article 115. Voting at general meetings must be decided by a poll. The Company shall announce the results of the poll in accordance with relevant laws and regulations and the Listing Rules.

Article 116. A poll demanded on the election of the chairman of the meeting or on a question of adjournment of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman of the meeting directs and the meeting may proceed to discuss other matters. The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

Article 117. On a poll taken at a meeting, a shareholder (including a proxy) entitled to two or more votes need not cast all his votes in the same way.

Article 118. In case of an equality of votes, the chairman of the meeting shall have a casting vote.

Article 119. Before a resolution is decided on a motion at a general meeting of shareholders, two representatives of the shareholders shall be nominated to participate in counting the votes as well as supervising the counting process. If a shareholder is interested in the matters under consideration, the relevant shareholder and his proxies shall not participate in counting the votes or supervising the counting process.

At the time of deciding on a motion by voting at a general meeting, the legal advisers, shareholders' representative and supervisors' representative shall participate in counting the votes as well as supervising the counting process and declare the voting results at the meeting. The voting results in connection with the resolution shall be recorded in the minutes.

Shareholders of the listed company or their proxies who cast their votes via the Internet or otherwise shall have the right to check their voting results by the corresponding voting system.

Article 120. The timing for the adjournment of the general meeting of shareholders for attendees attended in person shall not be earlier than those conducted via the Internet or otherwise. The convenor of the meeting shall make an announcement concerning the voting details and results of each motion and shall declare whether or not the motion is adopted on the basis of the relevant voting result.

Article 121. Prior to making a formal announcement on the voting results, all listed companies, persons responsible for counting the votes and for supervising the counting process, major shareholder, Internet service providers and other relevant parties involving in the voting conducted at the general meeting of shareholders, regardless of being conducted on-site, via the Internet or otherwise, shall have the obligation to keep matters related to voting confidential.

Article 122. Shareholders attending the general meeting of shareholders shall express their opinion with respect to the motion tabled for resolution as in favour of, against or abstention from voting in respect of such motion.

Ballot papers that are left in blank, unduly completed or illegible, or that have not been used, shall be treated in the way that the voters waive their right to vote and the voting results corresponding to the shares in their possession shall be treated as "abstention from voting".

Article 123. The chairman of the meeting shall be responsible for deciding whether a resolution has been passed. The decision by the chairman shall be final and conclusive and shall be announced at the meeting and recorded in the minutes of the meeting.

Article 124. In the event the chairman of the meeting has any doubts as to the results of the resolutions, he may count the votes. In the event the chairman of the meeting fails to count the votes and a shareholder or proxy objects to the results announced by the chairman of the meeting, he shall be entitled to request the counting of the votes immediately after the announcement and the chairman of the meeting shall count the votes immediately upon request.

Article 125. In the event the votes of a general meeting of shareholders are counted, the results of the count shall be included in the minutes of the meeting.

The minutes of the meeting together with the shareholders' attendance registers and the proxy forms shall be kept at the Company's place of domicile.

Article 126. Shareholders may inspect copies of the minutes free of charge during the Company's office hours. If any shareholder requests from the Company a copy of the relevant minutes, the Company shall delivery such copy within seven days after the receipt of reasonable fees.

Article 127. The Board of Directors of the Company shall retain a qualified legal counsel to attend the general meeting of shareholders, who shall give advice and make an announcement on the following issues:

1) whether or not the procedures for convening and holding a general meeting comply with the requirements of the laws and regulations and the Articles of Association;

2) the legal eligibility of persons present at and the convenor of the meeting;

3) whether or not the voting procedures for and the voting results of the general meeting are lawful and valid; and

4) issuance of the legal opinion on other relevant issues at the request of the Company.

Article 128. Public announcement in respect of the resolutions adopted at a general meeting of shareholders shall be made on a timely fashion, which shall specify the number of shareholders and proxies attending the meeting, the total number of voting shares in their possession and the proportion of the number of voting shares represented by them out of the total number of shares of the Company, method of voting, voting result for each motion and particulars of each motion adopted.

Article 129. If a motion is not adopted, or a resolution adopted at the previous general meeting of shareholders is changed by the then general meeting, a special reminder in connection therewith shall be contained in the public announcement in respect of the resolution adopted at the general meeting.

Article 130. If a motion relating to election of directors or supervisors is adopted at a general meeting of shareholders, the term of office for the newly elected directors or supervisors shall commence on the date determined by resolution of the general meeting.

Article 131. If a motion in respect of the distribution of cash or bonus shares, or in connection with the capital increase by conversion from common reserve funds, is adopted at a general

meeting of shareholders, the Company shall implement specific proposal relating thereto within two months after the adjournment of the general meeting.

Chapter 9 Special Procedures for Voting by a Class of Shareholders

Article 132. Shareholders holding different classes of shares shall be class shareholders.

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

Article 133. Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting of shareholders and approval by the affected shareholders of that class at a separate meeting convened in accordance with Articles 135 to 139.

Article 134. The following acts shall be deemed to be a variation or abrogation of the rights attaching to a particular class of shares:

1) to increase or decrease the number of shares of that class or increase or decrease the number of shares of a class having voting rights, rights to receive distributions or other privileges equal or superior to those of shares of that class;

2) to exchange all or part of the shares of that class for shares of another class, or to exchange or grant a right to exchange all or part of the shares of another class for shares of that class;

3) to remove or reduce rights to any accrued or cumulative dividends attached to shares of that class;

4) to reduce or cancel the preference rights attached to shares of that class to have priority in receiving dividends or in distribution of assets in the event that the Company is liquidated;

5) to add, cancel or reduce the conversion privileges, options, voting rights, transfer or pre-emptive rights, or rights to acquire the Company's securities attached to shares of that class;

6) to cancel or reduce the rights to receive payments payable by the Company in particular currencies attached to shares of that class;

7) to create a new class of shares having voting rights or rights to receive distributions or other privileges equal or superior to those of the shares of that class;

8) to restrict the transfer or ownership of shares of that class or to increase the types of restrictions attaching thereto;

9) to issue rights to subscribe for, or convert into, shares in the Company of that class or another class;

10) to increase the rights and privileges of shares of another class;

11) to restructure the Company in such a way so as to result in a disproportionate distribution of obligations among various classes of shareholders; and

12) to vary or abrogate the provisions of this Chapter.

Article 135. Shareholders of the affected class, whether or not having the right to vote in general meetings of shareholders, shall be entitled to vote in class meetings in respect of matters concerning items (2) through (8), (11) and (12) of Article 134. However, interested shareholder(s) shall have no voting rights at such class meetings.

For the purposes of this Article, the term "interested shareholder(s)" means:

1) in the event that the Company makes a repurchase offer to all shareholders in the same proportion or the Company repurchases its own shares by way of public dealings on a stock exchange pursuant to Article 36 hereof, a "controlling shareholder" within the meaning of Article 63 hereof;

2) in the event that the Company repurchases its own shares by an off-market agreement pursuant to Article 36 hereof, a holder of the shares to which the proposed agreement relates; or

3) in the event of a restructuring of the Company, a shareholder within a class who assumes a relatively lower proportion of obligations than the obligations imposed on shareholders of that class or who has an interest in the proposed restructuring different from the general interests of the shareholders of that class.

Article 136. Resolutions of a class meeting shall be passed by not less than two-thirds of the votes cast by class shareholders carrying voting rights and attending the class meeting in accordance with Article 135.

Article 137. Whenever a class meeting is convened by the Company, a written notice of meeting shall be given by reference to the notice periods for the convening of annual general meetings and extraordinary general meetings set out under Article 79 of the Article to notify all class shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.

Article 138. Notice of the class meeting shall only be required to be served on the shareholders entitled to vote thereat.

The procedures of the class meeting shall resemble those of the general meeting of shareholders to the fullest extent as possible. Provisions in the Articles of Association regarding the procedures for holding a general meeting shall be applicable to class meetings.

Article 139. In addition to shareholders of other classes, holders of domestic shares and holders of overseas-listed foreign shares shall be deemed to be holders of different classes of shares.

The special voting procedures of the class meeting shall not apply to the following circumstances:

1) where the Company issues, upon approval by a special resolution of the general meeting of shareholders, not more than 20% of each of its existing issued and outstanding domestic shares and overseas-listed foreign shares, either separately or concurrently once every twelve months; and

2) where the plan to issue domestic shares and overseas-listed foreign shares at the time of establishment of the Company is carried out within fifteen months from the CSRC's approval date.

Chapter 10 Board of Directors

Section 1 Directors

Article 140. Directors of the Company shall be natural persons who are not required to hold shares in the Company.

Article 141. The term of office of each director shall not be more than three years commencing on the date determined by resolution of the general meeting and ending on the expiration of the term of the then Board of Directors. The term of office for a director is renewable upon re-election.

The Chairman and Vice Chairmen shall be elected and removed by a simple majority vote of all members of the Board of Directors. The term of office of the Chairman and Vice Chairmen shall not be more than three years, which is renewable upon re-election.

The directors shall be elected or replaced by the general meeting, and may further be removed from their office prior to the conclusion of the term thereof by the general meeting. A written notice of the reason to propose a person for election as a director and a written notice by that person indicating his acceptance of such nomination shall be delivered to the Company within a period of not less than seven days commencing no earlier than the day immediately following the despatch of the notice of the meeting appointed for such election and ending no later than seven days before the date of such general meeting.

The election of the directors is based on a cumulative voting system. During the election, shareholders attending the general meeting may vote for a number of director's candidates by each share held by them, that is, the total number of votes cast by shareholders attending the general meeting shall be the number of shares held times the number of director's candidates. Each shareholder may cast all his votes to a single candidate or spread his votes among different candidates, provided that the cumulative votes cast shall not exceed the total number of votes held by that shareholder. The directors shall be elected according to the number of votes cast for them. The number of votes obtained by the director's candidates shall exceed half of the voting rights represented by the persons attending the general meeting.

A director whose term of office has not expired may be removed by way of an ordinary resolution, provided that a general meeting is conducted in accordance with the relevant laws, administrative regulations and related provisions stipulated in the Articles of Association (and without prejudice to any claim for damages under any contract).

The term of office of a director shall commence on the date determined by resolution of the general meeting and end on the expiration of the term of the then Board of Directors.

Upon election of directors, the Company shall promptly enter into engagement contracts with the elected directors in which details relating to the rights and obligations between the Company and the directors, the directors' term of office, liability of the directors for breaching the laws and regulations as well as the Articles of Association together with compensation arising out of an early termination of such engagement contracts by the Company shall be clearly specified pursuant to the laws and regulations as well as the Articles of Association.

Article 142. Directors shall exercise such rights conferred to them by the Company in a prudent, serious and diligent manner to ensure that:

1) the commercial activities carried out by the Company are in compliance with the laws and administrative regulations, as well as the requirements of various economic policies of the State and falls within the scope of business provided for in the business licence;

2) all shareholders are fairly treated;

3) all commercial or financial reports of the listed Company have been read seriously so as to be kept informed of the business operation and management of the Company in a timely manner;

4) they shall exercise at their own discretion such management and disposition rights in connection with the Company as legally conferred on them without allowing themselves to be under the control of a third party; with respect to consent which is not determined under the permission of the laws, administrative regulations or which is arrived at a general meeting of shareholders after being informed of the relevant information, their entitlement to the disposition right shall not be delegated to a third party to exercise on their behalf;

5) they shall sign a written confirmation or opinion in connection with the regular reports of the Company to guarantee that the information disclosed by the Company is true, accurate and complete;

6) they shall inform the Supervisory Committee of the relevant circumstances and information that is in accordance with the facts, shall not impede the Supervisory Committee or a supervisor from exercising their functions and powers and shall submit to the supervision of, and accept such reasonable advice of the Supervisory Committee; and

7) they shall perform other duties as required by the laws and regulations as well as provided for in the Articles of Association.

Article 143. No director may act in his own name or on behalf of the Company or the Board of Directors without legal authorization pursuant to the provisions of the Articles of Association or by the Board of Directors. In the course of acting in his own name, a director shall state his position and identity insofar as a third party may reasonably believe that such director is acting on behalf of the Company or the Board of Directors.

Article 144. If a director or other enterprise in which he is employed is directly or indirectly interested in such contract, transaction or arrangement as already entered into or proposed to be entered into with the Company (other than his engagement contract with the Company), he shall declare the nature and extent of his interests to the Board of Directors at the earliest opportunity, whether or not the same is subject to the approval and consent of the Board of Directors under normal circumstances.

Unless the interested director has disclosed his interest in accordance with the requirement set forth in the preceding paragraph of this Article and such matter has been approved by the board at a meeting in which the interested director is not counted in the quorum and has refrained from voting, the Company shall have the right to rescind such contract, transaction or arrangement except as against a bona fide third party thereto.

Article 145. A director shall be deemed to be unable to carry out his duties if he fails to attend two consecutive board meetings in person and fails to appoint an alternate director to attend board meetings on his behalf. The Board of Directors shall propose at the general meeting of shareholders for the removal of such director.

Article 146. A director may resign prior to the expiration of his term of office. If a director resigns from his office, he shall submit a written notice of his resignation to the Board of Directors. The Board of Directors shall make a disclosure related thereto within two days.

If the resignation of a director will result in the number of board members of the Company falling below the statutory minimum requirement, before the director appointed during re-election serves the directorship, the original director shall continue to perform the director's duties in accordance with the laws, administrative regulations, departmental rules and regulations as well as the Articles of Association. The remaining members of the Board of Directors shall convene an extraordinary meeting of shareholders as soon as possible in order to appoint a director to fill the vacancy caused by the resignation. Prior to the resolution of the general meeting of shareholders to elect the director, the functions and power of the resigning director and the remaining directors shall be reasonably restricted.

Except for those set forth in the preceding paragraphs, the resignation of a director shall become effective at the time when the resignation notice is served on the Board of Directors.

Article 147. If a director gives notice of his resignation or if his term of office expires, he shall complete all handover formalities with the Board of Directors and his duty of loyalty and honesty owed to the Company and the shareholders shall not necessarily cease during the period when the notice of resignation has not become effective, during a reasonable period after it has become effective as well as within a reasonable period upon the termination of his office. The duty of confidentiality in relation to trade secrets of the Company survives the termination of his office until such trade secrets enters into the public domain. Other obligations shall continue for such a period as determined according to the principle of fairness and depending on the amount of time elapsed between the termination and the act concerned as well as the circumstances and conditions under which the relationship with the Company is terminated.

Article 148. A director who leaves his office without authorisation before the end of his term shall be liable for any loss suffered by the Company as a result of his departure.

Section 2 Independent Non-executive Directors

Article 149. The Company shall appoint independent non-executive directors who do not hold any positions in the Company other than acting as directors and do not maintain any connection with the Company and its substantial shareholders which may impair their independent and objective judgment. In addition, independent non-executive directors must comply with the guidelines on independence contained in the Listing Rules.

Independent non-executive directors shall account for at least one-third of the Board of Directors and shall be no less than three, of whom there shall be at least one accounting professional. An independent non-executive director shall faithfully fulfill his duties and protect the Company's interests, in particular, ensuring that the legal interests of public shareholders are not impaired.

Article 150. The criteria for selection of the independent non-executive directors of the Company shall be as follows:

1) having the qualifications to assume the office of a director in a listed company pursuant to the laws, administrative regulations and other relevant provisions;

2) being independent as required by laws, administrative regulations and other relevant

regulations;

3) having the basic knowledge of the operation of a listed company and being familiar with relevant laws, administrative regulations together with rules and regulations;

4) having not less than five years' working experience in the legal or economic field or other experience necessary to perform the duties of an independent non-executive director; and

5) other qualifications specified by the Articles of Association.

Article 151. The following persons shall not act as the independent non-executive directors of the Company:

1) persons working in the Company or its subsidiaries, as well as their direct family members or major social relations (in which direct family members refer to their spouses, parents and children etc.; and major social relations refer to siblings, parents-in-law, sons or daughters-in-law, spouses of their siblings and siblings of their spouses etc.);

2) natural person shareholders as well as their direct family members who directly or indirectly hold not less than 1% of the issued shares of the Company or who are ranked as the top ten shareholders of the Company;

3) persons as well as their direct family members who work in entities which are such shareholders of the Company directly or indirectly holding not less than 5% of the issued shares of the Company or which are ranked as the top five shareholders of the Company;

4) persons who have satisfied the conditions stated in the above three paragraphs within the most recent year;

5) persons who provide financial, legal and consultation services and otherwise to the Company or its subsidiaries;

6) other people specified in the Articles of Association; or

7) other people specified by the CSRC.

Article 152. The nomination, election and removal of independent non-executive directors shall be properly conducted according to law as follows:

1) Candidates for independent non-executive directors may be nominated by the Board of Directors, the Supervisory Committee or shareholders individually or jointly holding not less than one 1% of the Company's shares, and shall be elected by the general meetings of shareholders.

2) Before nominating a candidate for election as an independent non-executive director, the nominator shall first obtain the consent of the nominee and shall have a full understanding of the nominee's qualifications, educational background, profession, detailed working experience and all other positions undertaken on a part-time basis and shall also be responsible for providing his opinion in connection with the qualifications and independence of such nominee acting as an independent non-executive director. The nominee shall make a public statement that there does not exist any relationship between himself and the Company which may influence his independent objective judgement.

The Board of Directors of the Company shall make a public announcement in respect of such content set forth above prior to holding the general meeting for election of independent non-executive directors.

3) Before a general meeting of shareholders is held to elect independent non-executive directors, the Company shall simultaneously submit relevant materials regarding all nominees to the CSRC, the local residence office of the CSRC at the place where the Company is located, and the stock exchanges on which the Company's shares are listed. If the Board of Directors objects to the qualifications of the nominees, a written opinion of the Board of Directors in connection therewith shall also be submitted at the same time.

   The CSRC shall examine and verify the qualifications and independence of an independent non-executive director within fifteen working days. If the CSRC has an objection to a nominee, such nominee may be a candidate for election as a director of the Company, but not a candidate for election as an independent non-executive director.

   When convening a general meeting of shareholders to elect independent non-executive directors, the Board of Directors of the Company shall explain whether the CSRC had any objection to any of the candidates being elected as independent non-executive directors.

4) Each term of office of the independent non-executive directors shall be the same as those of the other directors. The term of an independent non-executive director may be renewed upon re-election and re-appointment after the expiration of his term, provided the renewal period shall not exceed six (6) years.

5) If an independent non-executive director fails to attend three consecutive board meetings in person, the Board of Directors shall propose at the general meeting that such independent non-executive director be removed.

   Except for circumstances described above and those set out in the Company Law relating to the prohibition of a person to act as a director, an independent non-executive director shall not be removed, without cause, from his office before the expiration of his term of office. Where an independent non-executive director is removed from office prior to its expiration, the Company shall make special disclosure in relation thereto. The removed independent non-executive director may make a public statement if he believes that he has been improperly removed from his office.

6) Independent non-executive directors may resign prior to the expiration of their term of office. If an independent non-executive director resigns from his office, he shall submit a written notice of his resignation to the Board of Directors and provide an explanation of the circumstances which are relevant to his resignation and which in his opinion are necessary to bring to the notice of the shareholders and creditors of the Company.

   Where the resignation of an independent non-executive director results in the Board of Directors having less than the minimum number of directors or independent non-executive directors required by law or the Articles of Association, that independent non-executive director must continue to perform his duties pursuant to the laws, administrative regulations and the Articles of Association until the replacement independent non-executive director takes office. The Board of Directors shall convene a general meeting to elect a replacement independent non-executive director within two months. Where a general meeting is not convened within the period, the resigning independent non-executive director need not

continue to perform his duties.

7) No independent non-executive director shall be removed from office without proper reason before expiration of his term of office. If an independent non-executive director is dismissed before expiration of his term, the Company shall disclose such removal as a special matter.

Article 153. An independent non-executive director shall perform his duties independently without being influenced by a substantial shareholder, a person who exercises effective control of the Company or a unit or individual who or which have an interest in the Company, its controlling shareholders, or a person who exercises effective control over the Company.

In order to fully utilize his function, an independent non-executive director shall, apart from the powers conferred on directors under the Company Law and other relevant laws and regulations and the Articles of Association, also have the following special functions and powers:

1) to approve, before submitting to the Board of Directors for consideration, proposed material connected transactions, or appointment or dismissal of accountants before submitting to the Board of Directors for consideration;

2) to propose to the Board of Directors to convene an extraordinary general meeting;

3) to propose to convene the board meeting; and

4) to solicit votes from shareholders prior to the general meeting of shareholders.

When exercising their functions and powers referred to above, independent non-executive directors shall obtain the consent of not less than half of the total number of independent non-executive directors.

Subject to the consent of all independent non-executive directors, independent non-executive directors may independently engage external auditors and advisers, with relevant fees paid by the Company, to review and provide advice on specific matters.

If the proposals set out above are not adopted or such functions and powers as set forth above cannot be exercised under normal circumstances, the Company shall disclose the relevant circumstances.

The criteria for determining a "material connected transaction" shall be interpreted by reference to the relevant rules and regulations of the CSRC, the SZSE, and the SEHK.

Article 154. Independent non-executive directors shall express their independent opinion with respect to major matters of the Company.

Apart from the duties set forth above, independent non-executive directors shall also express their independent opinion on the following major matters to the Board of Directors or at a general meeting of shareholders:

1) nomination or removal of directors;

2) appointment or removal of senior officers;

3) the remuneration of directors and senior officers;

4) where the Board of Directors fails to produce its profit distribution plan by cash;

5) matters which the independent non-executive directors believe may impair the rights and interests of minority shareholders;

6) any other matters which the CSRC, SZSE and SEHK requires independent non-executive director to issue an independent opinion; and

7) any other matters required by the Articles of Association.

Independent non-executive directors shall give one of the following opinions in relation to the above matters: agree; qualified opinion and reasons therefor; oppose and reasons therefor; unable to form an opinion and the impediments to doing so.

If the matter is a matter requiring disclosure, the Company shall announce the opinions of the independent non-executive directors. If the independent non-executive directors are divided and are unable to provide a unanimous opinion, the Board of Directors shall separately disclose the opinions of each independent non-executive director. The relevant announcement shall be published in newspapers which are in compliance with the relevant regulations.

Article 155. An independent non-executive director shall attend the meetings of the Board of Directors as scheduled, have an understanding of the production and operation of the Company, and take initiative to conduct investigation and obtain information necessary for decision-making. Independent non-executive directors shall submit their report to the annual general meeting of the Company, describing the discharge of their duties.

Article 156. The Company shall establish a system of work for independent non-executive directors with the secretary to the Board of Directors actively assisting the independent non-executive directors as to the fulfilment of their duties. The Company shall ensure that an independent non-executive director has the same rights to information as other directors, and shall provide independent non-executive directors with relevant materials and information in a timely manner, report on the performance of the Company regularly and, when necessary, arrange for independent non-executive directors to conduct on-site investigations.

Section 3 Board of Directors

Article 157. The Company shall establish a Board of Directors. The Board of Directors shall consist of seven to fourteen directors, including one Chairman, two Vice Chairmen. Independent non-executive directors shall account for at least one-third of the Board of Directors and shall be no less than three. A balanced composition of executive directors and non-executive directors (including independent non-executive directors) shall be maintained.

Article 158. The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:

1) to be responsible for convening the general meeting and reporting its work to the shareholders in general meeting:

2) to implement the resolutions passed by the general meeting;

3) to determine the Company's business plans and investment proposals;

4) to formulate the Company's proposed annual financial budgets and final accounts;

5) to formulate the Company's profit distribution proposals and loss recovery proposals;

6) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of the Company's debentures or other securities and listing proposals;

7) to draw up plans for any material acquisition, repurchase of the Company's shares, merger, changing in the form, division or dissolution of the Company;

8) to decide on the set up of the Company's internal management structure;

9) to appoint or remove the Company's president and the secretary to the Board of Directors; to appoint or remove senior officers, including the executive vice presidents and chief financial officer of the Company, based on the recommendations of the president, and to decide on their remuneration as well as matters relating to rewards and penalty;

10) to formulate the basic management system of the Company;

11) to formulate proposals for any amendment of the Articles of Association;

12) to supervise the disclosure of the Company's information;

13) to decide on matters relating to foreign investment, purchase or sale of assets, mortgage of assets, provision of other guarantees, entrusted asset management and connected transactions by the Company within the scope of authority conferred by the general meeting;

14) to propose to the general meeting the appointment or replacement of the Company's auditors;

15) to listen to the working report of the Company's president and to review his work;

16) to approve the acquisition, disposal or lease of assets in an amount which is less than 10% of the most recent audited net asset value of the Company;

17) to approve matters in connection with the provision of guarantee to a third party in an amount which is less than 10% of the most recent audited net asset value of the Company (including but not limited to such guarantee as in form of security, charge, pledge, lien and deposit);

18) to approve matters in connection with the application of an integrated credit line by the Company to a bank or other financial institution;

19) to approve to conduct an external investment which is related to the principal business of the Company and is less than 10% of the Company's most recently audited net asset value, or an external investment which is outside the principal business of the Company and is less than 5% of the Company's most recently audited net asset value;

20) review and monitor the corporate governance of the Company, including but not limited to:

1. Formulating and reviewing the corporate governance policies and practices of the Company;

2. Reviewing and monitoring the training and ongoing professional development of the directors and senior management;

3. Reviewing and monitoring the Company's policies and practices in legal and regulatory compliance;

4. Formulating, reviewing and monitoring the code of conduct and compliance manual (if any) for employees and directors; and

5. Reviewing the Company's compliance with Appendix 14 "Code of Corporate Governance" of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and disclosures made in the corporate governance report.

21) to exercise any other powers under the provisions of laws, regulations or the Articles of Association or conferred by the general meeting.

Matters involving an amount which is not less than such limits as set out in sub-paragraphs (16), (17) and (19) of the preceding provision shall be considered and adopted at a general meeting.

Except the board resolutions in respect of the matters specified in sub-paragraphs (6), (7), (11) and (17) of the first paragraph above which shall be passed by an affirmative vote of not less than two-thirds of all directors, the board resolutions in respect of all other matters shall be passed by an affirmative vote of not less than half of all directors.

The Company shall comply with the following requirements when determining matters relating to the provision of a guarantee in favour of a third party as set out in sub-paragraph (17) of the first paragraph hereof:

1) With respect to matters relating to the provision of a guarantee in favour of a third party considered by the Board of Directors, an affirmative vote of not less than two-thirds of all members of the Board of Directors shall be obtained therefor; with respect to matters relating to the provision of a guarantee in favour of a third party considered at a general meeting of shareholders, the Board of Directors shall prepare a proposal related thereto and submit the same to the general meeting for approval. The provision of a guarantee in favour of a shareholder or a person who exercises effective control over the Company is subject to the approval at a general meeting.

2) The Company shall neither provide a guarantee in favour of a unit without legal person status nor an individual. The maximum amount of any single guarantee provided by the Company in favour of a third party other than its wholly-owned subsidiary shall not be more than 5% of the net asset value recorded on the consolidated financial statements for the most recent accounting year, the maximum accumulated amount of guarantees provided by the Company to any one party other than its wholly-owned subsidiary shall not be more than 10% of the net asset value recorded on the consolidated financial statements for the most recent accounting year.

   The following guarantees shall be subject to the approval of general meetings provided that the same have been considered and approved by Board of Directors meetings prior to being tabled at general meetings:

1. any guarantee to be provided by the Company and its subsidiaries in favour of a third party, with the total amount of which exceeds 50% of the audited net asset value for the most recent period;

2. any guarantee to be provided after the total amount of third-party guarantee provided by the Company has reached or exceeded 30% of the audited total assets for the most recent period;

3. guarantees to be provided in favour of an entity which is subject to a gearing ratio of over 70%;

4. guarantees with a single guaranteed amount in excess of 10% of the audited net asset value for the most recent period;

5. guarantees to be provided in favour of any shareholder, person who exercises effective control over the Company and its related parties; and

6. other guarantees subject to the approval of general meetings in accordance with the laws, regulations and the Articles of Association.

The aforesaid shareholders or shareholders who are under the control by persons exercising effective control over the Company shall abstain from voting on resolutions in respect of guarantees to be provided in favour of shareholders, persons who exercise effective control over the Company and its related parties. Votes representing more than half of the voting rights represented by other shareholders attending the meeting must be exercised in favour of the resolution in order for it to be passed.

3) Where a guarantee is provided in favour of a third party, the company must request the other party to provide a counter-guarantee and the party providing the counter-guarantee shall have actual capacity to do so.

The external investment made by the Company, as mentioned under the sub-paragraph (19) of the first paragraph, includes securities and derivative products investments. Derivative products in which the Board can exercise discretion to invest include, in substance, products such as options, forwards, swaps or combinations of such products, with their underlying assets being interest rates, exchange rates, currencies or combinations of such underlying assets. The Company shall comply with the laws and regulations as well as rules of relevant securities exchanges when investing in securities and derivative products.

Article 159. The Board of Directors shall not, without the prior approval of the general meeting of shareholders, dispose or agree to dispose of any fixed assets of the Company where the aggregate of the estimated value of the consideration for the proposed disposition, and value of the consideration for any disposition of fixed assets of the Company that has been completed in the period of four months immediately preceding the proposed disposition, exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet reviewed by the general meeting.

For the purposes of this Article, the term "disposition" includes an act involving the transfer of an interest in assets but does not include the provision of security with such fixed assets.

The validity of a disposition of fixed assets by the Company shall not be affected by the breach of the first paragraph of this Article.

Article 160. The Board of Directors may establish specialist committees such as audit, nomination, and remuneration and evaluation, and export compliance committees. The specialist committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the delegation of the Board of Directors. All specialist committees shall be composed of directors in which independent non-executive directors shall form the majority and become convenors (the export compliance committee shall comprise at least three independent non-executive directors). The convenor of the audit committee shall be a professional accountant. The Board of Directors shall be responsible for formulating the working rules of the specialist committees and governing the operation of the specialist committees.

Article 161. Each specialist committee shall have the following basic responsibilities:

1) Major responsibilities of the audit committee are:

    1. to propose the engagement or removal of external auditor;

    2. to oversee the internal audit system of the Company and its implementation;

    3. to be responsible for the communications between the internal auditor and the external auditor;

    4. to examine and verify the financial information of the Company and the disclosure thereof; and

    5. to examine the internal control system of the Company.

2) Major responsibilities of the nomination committee are:

    1. to study the standards and procedures for selection of directors, president and other senior officers and to provide recommendations in connection therewith;

    2. to conduct extensive search for qualified candidates to take up the position of directors, president and other senior officers; and

    3. to examine the candidates for the position of directors, president and other senior officers and to provide recommendations in connection therewith.

3) Major responsibilities of the remuneration and evaluation committee are:

    1. to consider the standards of evaluation of directors, president and other senior officers, to conduct evaluation and to provide recommendations in connection therewith; and

    2. to consider and develop the remuneration policies and proposals for the directors, president and other senior officers.

4) Major responsibilities of the export compliance committee are:

    1. to understand the adequacy and effectiveness of the Company’s internal policies, procedures and plans on export control and economic sanctions laws;

    2. to examine the export control and economic sanctions compliance functions of the Company;

3. to receive and review audit reports and any other reports on the Company's export compliance;

4. to deal with other matters as authorized by the Board.

Article 162. The Chairman of the Board of Directors shall exercise the following powers:

1) to preside over general meetings of shareholders' and to convene and preside over the meetings of the Board of Directors;

2) to oversee and examine the implementation of the resolutions passed by the meetings of the Board of Directors;

3) to sign the securities certificates issued by the Company;

4) to exercise his powers as the legal representative;

5) upon the occurrence of any force majeure events, such as major natural disasters, to exercise the special power of disposition in compliance with rules and regulations and in the best interests of the Company, and to report the same to the Company's Board of Directors or the general meeting thereafter;

6) to execute important Board of Directors' documents and other documents which shall be executed by the legal representative of the Company; and

7) to exercise other powers conferred by the Board of Directors.

In the event that the Chairman is unable or fails to perform his duties, the Vice Chairman jointly recommended by not less than half the number of directors shall perform the duties related thereto. In the event that the Vice Chairman is unable or fails to perform his duties, the director jointly recommended by not less than half the number of directors shall perform the duties related thereto.

Article 163. The Board of Directors shall hold at least four meetings each year and such meetings shall be convened by the Chairman of the Board. The Chairman shall convene and preside over an extraordinary board meeting within ten days under any of the following circumstances:

1) Shareholders representing not less than one-tenth of the voting rights proposes to do so;

2) the Chairman deems necessary to do so;

3) not less than one-third of the directors propose to do so;

4) not less than half of the independent non-executive directors propose to do so;

5) the Supervisory Committee proposes to do so; and

6) the president proposes to do so;

Article 164. Notices of the board meetings and extraordinary board meetings may be given by

phone, in person, by facsimile, by courier or by registered airmail.

Article 165. The notice of the board meeting shall contain the following:

1) the date and place for convening the meeting;

2) the duration for the meeting;

3) particulars of the matters and business to be discussed; and

4) the date of such notice.

Article 166. Notice of a board meeting shall be served on all directors and supervisors fourteen days before the date of the meeting. Notice of an extraordinary board meeting shall be served on all directors and supervisors three days before the date of the meeting.

Article 167. Board meetings shall be held only if more than half of the directors are present.

Each director shall have one vote. Unless otherwise provided for in the Articles of Association, a resolution of the Board of Directors shall be passed by a simple majority vote of all directors.

Article 168. As long as all directors can fully express their opinions, an extraordinary meeting of the Board of Directors may be held and resolutions may be passed by way of video conference, conference call and facsimile, and such resolutions may be signed by the participating directors.

Article 169. The directors shall attend the meeting of Board of Directors in person. In the event a director cannot attend the meeting for any reason, he may appoint in writing another director to attend the meeting on his behalf. Such proxy instrument shall indicate the scope of authorization.

A director attending the meeting on his behalf shall exercise the director's rights within the scope authorized by the proxy. Directors who fail to attend the board meeting in person or by proxy shall be considered as having their voting rights in the meeting waived.

Article 170. Resolutions of the board meeting may be passed by a show of hands. Each director shall have one right to vote.

Article 171. The Board of Directors shall keep minutes of all the decisions on the matters considered at the board meetings. The minutes shall be signed by the directors attending the meeting and the person taking the minutes. Directors shall bear responsibility in connection with the resolutions of the board meeting. In the event the resolutions of the board meeting are in breach of the provisions of the laws, administrative regulations and the Articles of Association, and as a result of which the Company suffers substantial losses, the directors taking part in the resolutions shall indemnify the Company. However, the directors may be exempted from any liability if it can be proven that those directors have expressly objected to the resolution at the time of voting and such vote has been recorded in the minutes of the meeting.

Article 172. The board minutes shall include the following:

1) the date and place of the meeting and the name of the convener of the meeting;

2) names of the directors attending the meeting and of other directors (proxies) who attended the meeting on their behalf;

3) agenda of the meeting; and

4) the key points expressed by the directors at the meeting as well as the methods and results of voting for each resolution (in which the results shall include the number of votes cast for and against the resolution and the number of abstain votes).

Chapter 11 Secretary to the Board of Directors

Article 173. The Company shall appoint a secretary to the Board of Directors. The secretary to the board shall be a senior officer of the Company.

Article 174. The secretary to the Board of Directors shall be a natural person who has the requisite professional knowledge and experience, and is appointed by the Board of Directors.

Article 175. The primary responsibilities of the secretary to the Board of Directors include the following: assist the directors in the day-to-day work of the Board of Directors; continuously provide the directors with, remind the directors of and ensure that the directors understand the laws, regulations, policies and requirements of the domestic and foreign regulatory authorities concerning operation of the Company; assist the directors and the president in performing their functions and exercising their powers in compliance with relevant domestic and foreign laws and regulations, the Articles of Association and other relevant regulations; organise and prepare documents for board meetings and general meetings of shareholders, take proper minutes of the meetings, ensure that the meetings are conducted in accordance with statutory legal procedures, and oversee the implementation of the board resolutions; be responsible for the organisation and coordination of information disclosure, coordinate the relationship with investors, and enhance transparency of the Company; participate in the structuring of financing through capital markets; liaise with intermediaries, regulatory authorities and media, and maintain good public relations.

The main functions of the secretary to the Board of Directors are:

1) to ensure that the Company will have a complete set of constitutional documents and records;

2) to ensure that the Company will prepare and deliver according to law such reports and documents as required by the competent authorities;

3) to ensure that the Company's registers of members are properly established, and that persons entitled to receive the Company's records and documents are furnished in a timely fashion;

4) to organise and prepare for the board meetings and general meetings of shareholders, to prepare documents for such meetings, to make relevant arrangements for the meetings, to be responsible for taking minutes of the meeting, to ensure the accuracy of the minutes, to keep documents and minutes of the meeting and to actively learn about the implementation of relevant resolutions; to report and make recommendations to the Board of Directors on important implementation issues;

5) to ensure that important decisions of the Board of Directors will be implemented in strict compliance with the required procedures; at the request of the Board of Directors, to

participate in, and organise the consultation and analysis of matters to be decided by the Board of Directors and provide relevant advice and recommendations thereon; to carry out the day-to-day work of the Board of Directors and its relevant committees upon authorization;

6) to act as the contact person of the Company with securities regulatory authorities, to be responsible for the organisation and preparation and timely submission of documents required by the regulatory authorities, to be responsible for undertaking and organising completion of the tasks entrusted by the regulatory authorities;

7) to be responsible for coordinating and organizing the Company's information disclosure matters, setting up a sound information disclosure system, participating in all meetings of the Company in relation to information disclosure, to gain in a timely manner knowledge of important business decisions and relevant information of the Company;

8) to be responsible for keeping confidential price-sensitive information of the Company and formulating effective confidentiality rules and measures; in the event of the disclosure of any price-sensitive information of the Company for whatever reason, to take necessary remedial measures, make prompt explanation and clarification of such matters and notify the regulatory authority at the place of relevant overseas listing and the CSRC;

9) to be responsible for the coordination and organisation of market promotions, to coordinate visits to the Company, to deal with investor relationships, to maintain contact with investors, intermediaries and the media, to be responsible for coordinating and answering questions raised by the public, to ensure that investors can promptly obtain the information disclosed by the Company, to organise and prepare for marketing and promotion activities within and outside the PRC, to draw up summary reports on market promotion activities and important visits to the Company and organise the reporting of the same to the CSRC;

10) to be responsible for administering and keeping the Company's register of members, register of the directors, records of shareholdings of major shareholders and directors and list of the holders of the outstanding debentures of the Company in issue; to be permitted to keep the company seal and to establish comprehensive measures for the management of the company seal;

11) to assist the directors and the president in implementing domestic and foreign laws, regulations, the Articles of Association and other relevant regulations in exercising their powers; after becoming aware that any resolutions made or likely to be made by the Company are in breach of relevant regulations, to promptly give a reminder of such circumstances, and to have the right to report such facts to the CSRC and other regulatory authorities.

12) to coordinate the provision of necessary information to facilitate the Company's Supervisory Committee and other auditing institutions in performing their supervisory duties, and to assist in the investigations as to whether the Company's financial controller, directors and president have performed their fiduciary duties; and

13) to perform other functions and powers conferred by the Board of Directors and as required in the overseas jurisdiction where the Company is listed.

Article 176. A director or other senior officer of the Company may also act as the secretary to the Board of Directors. The accountant of the certified public accounting firm and solicitor of the law firm which have been engaged by the Company shall not act as the secretary to the

board.

Where the office of secretary to the Board of Directors is held concurrently by a director, and an act is required to be performed by a director and the secretary separately, the person who holds the office of director and secretary to the Board of Directors may not perform such act in a dual capacity.

Chapter 12 Operation and Management Organization

Article 177. The Company shall have one president who shall be appointed or dismissed by the Board of Directors.

The Company shall have a number of executive vice presidents and one chief financial officer to assist the president in his work. The executive vice presidents and the chief financial officer shall be nominated by the president, and shall be appointed or dismissed by the Board of Directors.

A person holding administrative position in the controlling shareholder of the Company other than as a director or supervisor shall not serve as a senior management personnel of the Company.

Article 178. The term of office of the president shall be three (3) years, which is renewable upon reappointment.

Article 179. The president shall be accountable to the Board of Directors and exercise the following powers:

1) to be in charge of the Company's production, operation and management and to report to the Board of Directors on his work;

2) to organise the implementation of the resolutions of the Board of Directors, the Company's annual plan and investment plan;

3) to draft plans for the establishment of the Company's internal management structure;

4) to draft the Company's basic management system;

5) to formulate specific rules and regulations of the Company;

6) to propose to the Board of Directors the appointment or dismissal of the Company's executive vice presidents and the chief financial officer;

7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;

8) to formulate the wages, benefits, awards and penalties in connection with the staff and to decide the appointment and dismissal of the staff of the Company;

9) to request to convene an extraordinary meeting of the Board of Directors;

10) to sign and issue corporate documents other than those required to be signed and issued by the Chairman of the Board of Directors;

11) to approve any other matter other than those required to be considered and approved at a

general meeting of shareholders or by the Board of Directors as specified in the Articles of Association; and

12) to exercise other powers conferred by the Articles of Association and the Board of Directors.

Article 180. The president of the Company shall attend meetings of the Board of Directors; the president shall have no voting rights at the board meetings unless he is also a director.

Article 181. The president shall, upon request by the Board of Directors or Supervisory Committee, report to Board of Directors or Supervisory Committee concerning material contracts entered into by the Company, the implementation of these contracts, the use of funds and profitability of the business. The president must ensure the accuracy of such report. The Board of Directors may formulate specific rules and implementing measures in relation to the functions and power of the president that are consistent with the actual circumstances of the Company.

Article 182. The president shall first consider the opinions of the labour union and staff representatives committees before making decisions relating to issues such as wages, benefits, occupational safety as well as labour protection, labour insurance and termination of employment (or dismissal), all of which involve the personal benefits of the staff.

Article 183. The president shall formulate detailed working rules for president and seek the approval from the Board of Directors before implementation thereof.

Article 184. The detailed working rules for the president shall include the following:

1) the conditions, procedures and attendees for convening a president's meeting;

2) the respective duties and division of responsibility between the president, executive vice presidents and other senior officers;

3) the application of the Company's funds and assets, the limits of his authority to enter into material contracts, and the mechanisms for reporting to the Board of Directors and Supervisory Committee; and

4) such other matters as the Board of Directors may think fit.

Article 185. When performing his functions and exercising his powers, the president of the Company shall act honestly and diligently in compliance with laws, administrative regulations and the Articles of Association.

Article 186. The president may give notice of his resignation prior to the expiration of his term of office. The specific procedures and measures for the resignation of a president shall be governed by the provisions of the labour contract between the president and the Company.

Chapter 13 Supervisory Committee

Article 187. The Company shall have a Supervisory Committee.

Article 188. The Supervisory Committee shall be composed of five supervisors. The Supervisory Committee shall have one chairman. Each supervisor shall serve for a term of not more than three years, commencing on the date determined by resolution of the general meeting

or the date determined by resolution of democratic election for employees and ending on the expiration of the term of the then Supervisory Committee. The term of office for a supervisor is renewable upon re-election and re-appointment.

The election or removal of the chairman of the Supervisory Committee shall be determined by an affirmative vote of two-thirds or more of the members of the Supervisory Committee.

Article 189. The Supervisory Committee shall be composed of two shareholders' representatives who shall be elected or removed by the general meeting of shareholders and three employee representatives of the Company who shall be elected or removed by the employees democratically.

The election of shareholders' representatives as supervisors shall be in form of a cumulative voting system. The requirements set out in the fourth paragraph of Article 141 hereof concerning the adoption of cumulative voting system for the election of directors shall apply to the election of shareholders' representative supervisors.

Article 190. No directors or senior officers of the Company shall act concurrently as supervisor.

Article 191. Meetings of the Supervisory Committee shall be held once every six months and shall be convened by the chairman of the Supervisory Committee. The notice of the Supervisory Committee meeting shall be served on all supervisors ten days prior to the meeting.

Supervisors may propose to convene an extraordinary Supervisory Committee meeting. The notice of the extraordinary Supervisory Committee meeting shall be served on all supervisors three days prior to the meeting.

If the Supervisory Committee meeting fails to be convened as scheduled, a notice shall be announced giving reasons thereof. The relevant announcement shall be published in newspapers which are in compliance with the relevant regulations.

Article 192. The notice of the Supervisory Committee meeting shall include the following particulars: the date of the meeting, the place and duration of the meeting, the agenda and business to be discussed and the date of the notice.

Article 193. The Supervisory Committee shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers in accordance with laws:

1) to monitor the Company's financial affairs;

2) to supervise the directors, president and other senior officers in their performance of duties and to propose the removal of directors, president and other senior officers who have contravened any law, administrative regulation or the Articles of Association;

3) to demand any director, president or other senior officer of the Company who acts in a manner which is harmful to the Company's interests to rectify such behaviour;

4) to review periodic reports of the Company prepared by the Board of Directors and to furnish written review opinions, to verify the financial information such as the financial reports, business reports, and plans for distribution of profits to be submitted by the Board of Directors to the general meeting of shareholders and to appoint, in the Company's name, certified public accountants and practising auditors to assist in the re-examination of such

information should any doubts arise in respect thereof;

5) to propose to convene an extraordinary general meeting of shareholders, and to convene and preside over general meetings of shareholders when the Board of Directors fails to perform the duty of convening and presiding over the general meeting in accordance with the Articles of Association;

6) to propose resolutions at a general meeting of shareholders;

7) to initiate proceedings against the directors, president, and other senior officer in accordance with the relevant laws;

8) to conduct investigation into any irregularities in the Company's operations identified; where necessary, professional agencies, such as accountant firms and law firms, may be engaged at the cost of the Company; and

9) to exercise other functions and powers conferred by the Articles of Association and general meeting of shareholders.

Supervisors may attend the board meetings as non-voting attendees to raise queries or suggestions in respect of Board resolutions.

The Supervisory Committee may express its opinion on the certified public accountant engaged by the Company and, where necessary, may appoint another certified public accountant in the name of the Company to carry out independent investigations of the Company's financial affairs and report its findings directly to the securities regulatory authorities under the State Council and other relevant authorities.

Article 194. The method of discussion for the Supervisory Committee shall be by way of holding a Supervisory Committee meeting.

Meetings of the Supervisory Committee shall be held only if not less than two-thirds of the supervisors are present.

Article 195. The Supervisory Committee meeting shall adopt a principle of item-by-item voting for matters under discussion, that is, voting shall take place upon completion of discussions of a motion, and voting for the next motion shall not take place if voting for the previous motion has not been completed.

Resolution at a supervisory meeting shall be passed by a show of hands. Each supervisor shall have one vote.

Article 196. The Supervisory Committee shall take minutes of the resolutions at the meetings. Supervisor who attend the meeting and the person taking the minutes shall sign the minutes.

Resolutions of the Supervisory Committee must be passed by the affirmative vote of not less than two-thirds of all of its members.

Article 197. The Company shall be responsible for payment of all reasonable fees incurred in respect of employment of professionals such as solicitors, certified public accountants and practising auditors in the exercise of the functions of the Supervisory Committee.

Article 198. A supervisor may resign before the expiration of his term of office by giving a written report to the Board of Directors. The provisions set out in Chapter 10 of the Articles of Association in relation to the resignation of directors shall be applicable to supervisors.

Article 199. Supervisors shall carry out their duties faithfully in accordance with laws, administrative regulations and the Articles of Association.

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

Article 200. A person shall not serve as a director, supervisor, president or other senior officer under any of the following circumstances:

1) a person who does not have or who has limited capacity for civil acts;

2) a person who has been sentenced for corruption, bribery, infringement of property, misappropriation of property or other crimes which destroy the social economic order, where less than five years have elapsed since the sentence was served or a person who has been deprived of his political rights for committing a crime, where less than five years have elapsed since the sentence was served;

3) a person who is a former director, factory manager or president of a company or enterprise which has put into liquidation as a result of mismanagement and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;

4) a person who is a former legal representative of a company or enterprise the business license of which was revoked due to a violation of law and who was personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license;

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

6) a person who is under criminal investigation or prosecution by judicial organs for violation of criminal law and the case is not yet concluded;

7) a person other than a natural person;

8) a person who has been convicted by the relevant competent authority for violation of relevant securities regulations, and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have elapsed from the date of such conviction; or

9) a person who is identified by CSRC as being prohibited from entering into the market and whose prohibition has not been released as well as other persons who are not allowed to serve as a director, supervisor or senior officer pursuant to other laws and regulations.

If the election or appointment of a director, supervisor, president or other senior officer is taken place in contravention of this Article, the said election, appointment or engagement shall be invalid. If a director, supervisor, president or other senior officer falls into any of the circumstances set forth in this Article during his term of office, the Company shall terminate his duties.

Article 201. The validity of an act of a director, president or other senior officers on behalf of the Company shall not, as against a bona fide third party, be affected by any irregularity in his office, election or any defect in his qualification.

Article 202. In addition to the obligations imposed by laws, administrative regulations or the listing rules of the stock exchange on which shares of the Company are listed, the directors, supervisors, president or other senior officers of the Company owes the following obligations to each shareholder, in the exercise of the functions and powers entrusted to them by the Company:

1) not to cause the Company to exceed the scope of business stipulated in its business license;

2) to act honestly and in the best interests of the Company;

3) not to expropriate the Company's property in any way, including (but not limited to) any opportunities that are favourable to the Company; and

4) not to expropriate the individual rights of shareholders, including (but not limited to) distribution and voting rights, save pursuant to a restructuring of the Company which has been submitted to the shareholders for approval in accordance with the Articles of Association.

Article 203. The directors, supervisors, president or other senior officers of the Company owe a duty, in the exercise of their powers or in the discharge of their duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

Article 204. The directors, supervisors, president or other senior officers of the Company shall perform their duties in accordance with fiduciary principles; and shall not put themselves in a position where their personal interests and their duties may conflict with each other. This principle includes (without limitation) discharging the following obligations:

1) to act honestly and in the best interests of the Company;

2) to act within the scope of his powers and not to exceed those powers;

3) to exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless and to the extent permitted by the laws, administrative regulations or with the informed consent of the general meeting of shareholders, not to delegate the exercise of his discretion;

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

5) unless otherwise provided for in the Articles of Association or with the informed consent of the general meeting of shareholders, not to enter into any contract, transaction or arrangement with the Company;

6) without the informed consent of the general meeting of shareholders, not to use the Company's property in any manner for his own benefit;

7) not to exploit his position to accept bribes or other illegal income or expropriate the Company's property by any means, including (without limitation) opportunities that are

favourable to the Company;

8) not to accept commissions in connection with the Company's transactions without the informed consent of the general meeting of shareholders;

9) to abide by the Articles of Association, faithfully perform his duties and protect the Company's interests, and not to exploit his position and functions and powers in the Company to advance his personal interests;

10) not to compete with the Company in any form without the approval of the informed consent of the general meeting of shareholders;

11) not to misappropriate the Company's funds or lend such funds to any other person(s), and unless otherwise stipulated in the laws and regulations and the Articles of Association, not to use the Company's assets to set up deposit accounts in his own name or in the names of others or to use such assets as security for the debts of a shareholder of the Company or any other individual;

12) without the informed consent of shareholders in general meeting, not to disclose confidential information relating to the Company obtained by him during his term of office; and not to use such information other than for the Company's benefit, save that disclosure of such information to a court or other governmental authorities is permitted if:

    1. disclosure is required under law;

    2. public interests require disclosure; or

    3. the interests of the relevant directors, supervisors, president and other senior officers require disclosure;

13) not to commit any act which is in breach of his duty of loyalty and honesty to the Company.

Article 205. The directors, supervisors, president and other senior officers of the Company shall not cause the following persons or entities (hereinafter referred to as the "Related Parties") to act in a manner which he is prohibited from so acting:

1) the spouse or minor child of that director, supervisor, president and other senior officer;

2) the trustee of that director, supervisor, president and other senior officer or any person referred to in sub-paragraph (1) above;

3) the partner of that director, supervisor, president and other senior officer or any person referred to in sub-paragraphs (1) and (2) above;

4) a company in which that director, supervisor, president and other senior officer, whether alone or jointly with one or more persons referred to in sub-paragraphs (1), (2) and (3) above or other directors, supervisors, president and other senior officers, have de facto control; or

5) the directors, supervisors, president and other senior officers of a company which is controlled in the manner set out in sub-paragraph (4) above.

Article 206. The fiduciary duties of the directors, supervisors, president and other senior officers of the Company do not necessarily cease upon termination of their office. The duty of confidentiality in respect of trade secrets of the Company survives the termination of their office. Other obligations may continue for such periods as the principle of fairness may require, depending on the amount of time lapsed between the termination and the act concerned and the circumstances and terms under which the relationship between any of them and the Company was terminated.

Article 207. Any directors, supervisors, president and other senior officers of the Company may be relieved from liability for specific breaches of their duties with the informed consent of the general meeting of shareholders, except in situations as stipulated in Article 62.

Article 208. Where any directors, supervisors, president and other senior officers of the Company are in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement concluded or planned to be entered into with the Company, other than their employment contracts with the Company, they shall declare the nature and extent of their interests to the Board of Directors at the earliest opportunity, whether or not the contract, transaction or arrangement or proposal requires the approval of the Board of Directors under normal circumstances.

The directors shall not be entitled to vote for the contracts, transactions or arrangements in which they or any of their associates are materially interested. They shall not be counted in the quorum of such meetings. The definition of the term "associates" mentioned above shall have the same meaning as those contained in the Listing Rules. Unless each of the interested directors, supervisors, president and other senior officers of the Company discloses his interests in accordance with the abovementioned requirement and the contract, transaction or arrangement is approved by the Board of Directors at a meeting in which each of the interested directors, supervisors, president and any other senior officers of the Company is neither counted in the quorum nor voted thereat, the Company shall have the right to cancel a contract, transaction or arrangement in which that director, supervisor, manager and senior officer is materially interested except as against a bona fide party thereto acting without notice of the breach of obligation by the interested directors, supervisors, managers and other senior officers.

A director, supervisor, president and any other senior officers of the Company shall be deemed to be interested in a contract, transaction or arrangement in which a Related Party or associate to them is interested.

Article 209. Where a director, supervisor, president and any other senior officers of the Company give to the Board of Directors a written notice given before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration by the Company declaring that, by reason of the facts specified in the notice, they are interested in the contracts, transactions or arrangements of any description which may subsequently be entered into by the Company, they shall be deemed for the purposes of the previous Article to have declared his interest, so far as specified in the notice.

Article 210. The Company shall not pay tax by any means for its directors, supervisors, president and other senior officers of the Company.

Article 211. The Company shall not directly or indirectly make a loan to or provide any guarantee in connection with the making of a loan for a director, supervisor, president and other senior officers of the Company or its holding company or the Related Parties of any of the said

persons.

However, the provisions of the preceding paragraph shall not apply in the following circumstances:

1) the provision by the Company of a loan or a guarantee of a loan to a subsidiary of the Company;

2) the provision by the Company of a loan or a guarantee in connection with the provision of a loan or any other funds to any of its directors, supervisors, president and other senior officers of the Company in accordance with the terms of an employment contract approved by the general meeting of shareholders to meet their expenditures incurred for the purpose of the Company or for the purpose of enabling them to perform their duties; and

3) the Company may make a loan to or provide a guarantee in connection with making of a loan to any of the relevant directors, supervisors, president and other senior officers or their respective Related Parties in the ordinary course of its business on normal commercial terms, provided that the ordinary course of business of the Company includes the lending of money or the provision of guarantees.

Article 212. A loan made by the Company in breach of the requirement of the Article above shall be immediately repayable by the recipient of the loan regardless of the terms of the loan.

Article 213. A guarantee provided by the Company in breach of the requirement of first paragraph of Article 211 shall be unenforceable against the Company, unless:

1) the guarantee was provided in connection with a loan which was made to the Related Parties of any of the directors, supervisors, president and other senior officers of the Company or its holding company and at the time the loan was advanced the lender did not know the relevant circumstances; or

2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

Article 214. For the purposes of this Chapter, the guarantee referred to in the preceding provision includes an undertaking or property provided by a guarantor to secure the performance of obligations by the obligor.

Article 215. Where any of the directors, supervisors, president and any other senior officers of the Company is in breach of his obligation to the Company, he shall liable for damages arising therefrom and, in addition to various rights and remedies provided by the laws and administrative regulations, the Company has the right to:

1) claim damages from such directors, supervisors, president and other senior officers in compensation for losses sustained by the Company as a result of such breach;

2) rescind any contract or transaction entered into by the Company with any director, supervisor, president and other senior officers or with a third party (where such third party knows or should know that there is such a breach of obligations by such director, supervisor, president and any other senior officers);

3) demand an account of the profits made by any director, supervisor, president and other

senior officers in breach of their obligations;

4) recover any monies received by any director, supervisor, president and other senior officers for the use by the Company, including (but not limited to) commissions; and

5) demand payment of the interest earned or which may have been earned by any director, supervisor, president and other senior officers on the monies that should have been paid to the Company.

Article 216. Shareholders may initiate proceedings in the People's Court if a director or any other senior officer violates the laws, administrative regulations or the Articles of Association and harms the interests of shareholders.

Article 217. The Company shall, with the prior approval of the general meeting of shareholders, enter into a contract in writing with a director or supervisor wherein his emoluments are stipulated. The aforesaid emoluments include:

1) emoluments in respect of his/her service as director, supervisor or senior officer of the Company;

2) emoluments in respect of his/her service as director, supervisor or senior officer of any subsidiary of the Company;

3) emoluments in respect of the provision of other services in connection with the management of the affairs of the Company and any of its subsidiaries;

4) payment by way of compensation to the director or supervisor for loss of office, or as consideration for or in connection with his retirement from office.

No proceedings may be brought by a director or supervisor against the Company for anything due to him in respect of the above matters unless the proceedings are brought pursuant to the aforementioned contract.

The Company shall disclose to its shareholders on a regular basis the remuneration of its directors, supervisors and senior officers given by the Company.

Article 218. The contract concerning the emoluments between the Company and its directors or supervisors shall provide that in the event of a takeover of the Company, the directors and supervisors of the Company shall, subject to the prior approval of the shareholders in general meeting, have the right to receive compensation or other payment in respect of his loss of office or retirement. A takeover of the Company referred to in this Article means any of the following:

1) an offer made by any person to all shareholders; or

2) an offer made by any person with a view to becoming a controlling shareholder within the meaning set out under Article 63 of the Articles of Association.

If the relevant director or supervisor does not comply with this Article, any sum so received by him shall belong to those persons who have sold their shares as a result of the acceptance of the said offer. The expenses incurred in distributing that sum pro rata among those persons shall be borne by the relevant director or supervisor and not paid out of that sum.

Chapter 15 Financial and Accounting System and Profit Distribution

Article 219. The Company shall develop its own financial accounting system in accordance with laws, administrative regulations and rules and the PRC accounting standards formulated by the financial regulatory authorities of the State Council.

Article 220. The Company shall prepare the financial statements at the end of each accounting year. The financial statements shall be examined and verified in a manner prescribed by laws.

Article 221. The Company shall submit its annual financial and accounting reports to the CSRC and stock exchange within four months from the ending date of each accounting year, its interim financial and accounting reports to the local office of the CSRC and stock exchange within two months from the ending date of the first six months of each accounting year, and the quarterly reports to the local office of the CSRC and stock exchange within one month from the ending dates of the first three and first nine months of each accounting year respectively.

The aforementioned financial and accounting reports shall be prepared in accordance with the relevant laws and administrative regulations as well as the departmental rules and regulations.

Article 222. The Board of Directors of the Company shall place before the shareholders at every annual general meeting such financial statements which the relevant laws, administrative regulations and directives promulgated by local governments and other authorities concerned require the Company to prepare.

Article 223. The Company's financial statements shall be made available for inspection by the shareholders of the Company twenty days before the date of every annual general meeting. Each shareholder shall be entitled to a copy of the financial reports referred to in this Chapter.

The Company shall deliver or send by prepaid mail to each holder of overseas-listed foreign shares: (i) the directors' report, balance sheet (including various documents as required to be attached by law) and a profit and loss statement or the income and expense statement; or (ii) the summary financial report prepared in accordance with the relevant laws not later than twenty one days before the date of the general meeting of shareholders at the address recorded in the register of members. Such delivery may also be conducted by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.

Article 224. The financial statements of the Company shall be prepared in accordance with PRC accounting standards and regulations.

Article 225. Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with PRC accounting standards and regulations.

Article 226. The Company shall publish its financial reports twice in every accounting year, that is, the interim financial report shall be published within sixty days after the end of the first six months of every accounting year; the annual report shall be published within one hundred and twenty days after the end of every accounting year.

Article 227. The Company shall not keep accounts other than those required by law.

Article 228. When distributing the current year's after-tax profits, the Company shall allocate 10% of its profits into its statutory common reserve fund.

When the aggregate amount of the statutory common reserve fund has reached 50% or more of the its registered capital, further allocations are not required.

If the Company's statutory common reserve fund is not sufficient to make up for the its losses incurred during the previous year, before allocations are made to the statutory common reserve fund in accordance with the preceding paragraph, the current year's profits shall be used to make up for such losses.

After the Company has allocated funds from the after-tax profits for the statutory common reserve fund and subject to a resolution adopted at the general meeting of shareholders, it may also allocate funds from the after-tax profits to the discretionary common reserve fund.

After the Company has made up its losses and made allocations to its statutory common reserve fund from the after-tax profits, it may also make profit distributions in accordance with the proportion of the shares held by each shareholder unless it is stipulated in the Articles of Association stipulate that no profit distributions shall be made in accordance with the shareholding proportion.

If the general meeting has, in violation of the provisions of the preceding paragraphs, distributed profits to the shareholders before the Company has made up for its losses and made allocations to the statutory common reserve fund, the shareholders must return the profits distributed in violation of the provision to the company.

No profits shall be distributed in respect of the shares held by the Company.

Article 229. Capital common reserve fund includes the following items:

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

2) other income designated by the regulations of the finance regulatory department of the State Council to be included in the capital common reserve fund.

Article 230. The common reserve fund of the Company shall be applied for:

1) making up their losses;

2) increasing the scale of production and operation of the Company;

3) subject to the approval of the general meeting of shareholders, conversion into registered capital by way of issuing bonus shares in proportion to the shareholders' original shareholdings or by increasing the par value of each share, provided that at the time of conversion of the statutory reserve fund into registered capital, the amount retained in such common reserve fund shall not be less than 25% of the registered capital before the said conversion.

The Company shall not apply the capital common reserve fund for making up its losses.

Article 231. After the resolution of profit distribution has been adopted by the general meeting of shareholders, the Board of Directors of the Company is required to complete the distribution of dividends (or shares) within two months following the meeting.

Any payment for the shares paid before calls on shares shall be entitled to dividends. However,

shareholders shall not be entitled to receive dividends where the dividends are subsequently declared.

Article 232. The profit distribution policy of the Company shall be as follows:

1) Reasonable investment returns for investors should be a key consideration in the profit distribution of the Company and continuity and stability should be maintained in its profit distribution policy, which should be in compliance with laws and regulations and the relevant requirements of regulatory authorities such as the China Securities Regulatory Commission;

2) Cash dividends and other amounts payable by the Company to domestic shareholders shall be computed, declared and payable in RMB. Cash dividends and other amounts payable by the Company to H Shareholders shall be computed and declared in RMB and payable in Hong Kong Dollars. Foreign currency requirements of the Company for the payment of cash dividends and other amounts to holders of overseas-listed foreign shares shall be procured in accordance with the relevant foreign exchange administration regulations of the State;

3) Subject to the fulfillment of conditions for dividend distribution, the Company shall, in principle, distribute its profit on an annual basis by way of cash and/or shares, and may also carry out interim profit distribution. Accumulated distribution of profit by way of cash by the Company in the three preceding years shall be no less than 30% of the annual average profit available for distribution realized in the three preceding years;

   The Company may conduct cash dividend distributions subject to the following conditions:

   1. The Company having reported positive profit available for distribution for the year (namely profit after taxation after making up for losses and allocations for reserve funds) with ample cash flow and the distribution of cash dividends not affecting the normal operation and long-term development of the Company;

   2. The auditor having furnished a standard, unqualified audit report in respect of the Company's financial report for the year;

   3. The Company having reported a sound gear ratio and having no significant investment plans or significant cash expenditure for the next 12 months in relation to any proposed external investments, asset acquisitions or purchases of equipment with an aggregate expenditure reaching or exceeding 10% of the Company's latest audited net assets.

4) Profit distribution shall be carried out first and foremost in the form of cash distribution. Depending on the actual conditions of the Company, profit distribution may alternatively be carried out by way of bonus share distribution. Bonus share distribution may be implemented independently or in combination with cash dividend distribution. In determining the specific amount for profit distribution by way of bonus share distribution, sufficient consideration should be given to whether the total share capital after the distribution of profit by way of share issue will be compatible with the current scale of business and rate of profit growth, so as to ensure that the distribution plan is in line with the overall and long-term interests of all shareholders;

5) The Board of the Company shall take into full consideration the opinion of the Independent

Non-executive Directors when formulating proposals for the Company's profit distribution, and an independent opinion shall be furnished by the Independent Nonexecutive Directors; Where the Board of Directors of the Company has not made any proposal for cash profit distribution, the reason for the non-distribution and the use of the undistributed funds retained by the Company should be disclosed in its periodic reports, and the Independent Non-executive Directors should furnish an independent opinion thereon; and

6) Where fund appropriation by a shareholder against regulation has been identified, deductions should be made by the Company against the cash dividend which should otherwise be distributed to such shareholder in reimbursement of the funds appropriated;

7) The Company shall implement the profit distribution policy stipulated in these Articles and profit distribution plans considered and approved at general meetings in a stringent manner. Where it becomes genuinely necessary to adjust the stated profit distribution policy and profit distribution plans considered and approved at general meetings, such adjustments shall be discussed at and approved by the Board of the Company (with the Independent Non-executive Directors furnishing an independent opinion) and then submitted to the general meeting for consideration and approval by way of a special resolution before implementation;

8) Following the statutory announcement of the profit distribution plan, the Company shall give sufficient consideration to the opinions and suggestions of shareholders in general and the minority shareholders in particular. When the profit distribution plan is being considered at the general meeting, the Company shall provide multiple means (including but not limited to attendance in person at the general meeting, the Internet and investors' hotline, etc) to receive suggestions in relation to the profit distribution plan furnished by shareholders in general and the minority shareholders in particular and shall give sufficient consideration to the opinions and demands of minority shareholders.

Article 233. The Company shall establish an internal audit system by employing professional auditing staff, who shall conduct internal audit and control on the income and expenses and economic activities of the Company.

Article 234. The Company's internal audit system and the auditing personnel's responsibilities shall become effective after the approval of the Board of Directors. The person in charge of the audit shall be accountable to the Board of Directors and shall report to the Board of Directors.

Article 235. The Company shall appoint a receiving agent for holders of the overseas-listed foreign shares. The receiving agent, on behalf of the relevant shareholders, shall receive the dividends distributed and other amounts payable to the shareholders in respect of overseas-listed foreign shares.

The receiving agent appointed by the Company shall meet the relevant requirements of the laws of the place where the Company's shares are listed or the relevant requirements of such stock exchange.

The receiving agent appointed by the Company for holders of overseas-listed foreign shares listed in Hong Kong shall be a company registered as a trust company under the Trust Ordinance of Hong Kong.

Article 236. At the time of distributing profits to the shareholders, where the Company is required to withhold and pay on behalf of the shareholders such taxes payable on the dividends

in accordance with the provisions of the relevant tax laws and regulations, the Company shall withhold, according to law, the taxes payable on the dividend income received by the shareholders.

If any shareholder breaches the laws by using such funds of the Company, the Company shall deduct the amount from the cash dividends payable to that shareholder until the amount is recovered.

Chapter 16 Appointment of Accounting Firm

Article 237. The Company shall appoint an independent accounting firm that complies with the relevant regulations of the State to audit the Company's annual financial statements and review other financial reports of the Company.

The first accounting firm of the Company may be appointed at the inaugural meeting of the Company before the first annual general meeting. The accounting firm so appointed shall hold office until the conclusion of the first annual general meeting. If the inaugural meeting does not exercise its powers under the preceding provision, those powers shall be exercised by the Board of Directors.

Article 238. The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting.

Article 239. The accounting firm appointed by the Company shall have the following rights:

1) the right to review the Company's books, records and vouchers at any time, the right to require the Company's directors, president and other senior officers to provide relevant information and explanation;

2) the right to require the Company to take all reasonable measures to obtain from any of its subsidiaries any information and explanation which is necessary for the accounting firm to discharge its duties; and

3) the right to attend general meetings of shareholders and to receive all notices of, and other communications relating to, any general meetings which a shareholder is entitled to receive, and to speak at any shareholders' general meetings in relation to matters concerning its role as the Company's accounting firm.

Article 240. Where there is a vacancy in the position of the accounting firm, the Board of Directors may appoint an accounting firm to fill the vacancy before the convening of the general meeting of shareholders. However, if the Company has appointed any other accounting firm while the vacancy still exists, such accounting firm may continue to act.

Article 241. The general meeting of shareholders may, by ordinary resolution, remove an accounting firm before the expiration of its term of office, irrespective of the provisions in the contract between the accounting firm and the Company. However, the accounting firm's right to claim for damages which arise from such removal shall not be affected thereby.

Article 242. The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the general meeting of shareholders. The remuneration of an accounting firm appointed by the Board of Directors shall be determined by the Board of

Directors.

Article 243. The Company's appointment, removal or non-reappointment of an accounting firm shall be determined by the general meeting of shareholders. Such resolution shall be filed with securities regulatory authority of the State Council.

Where a resolution is passed by the general meeting to appoint a non-incumbent accounting firm, to fill a casual vacancy in the office of the accounting firm, or to reappoint a retiring accounting firm that has been appointed by the Board of Directors to fill a casual vacancy, or to remove an accounting firm before the expiration of its term of office, the following provisions shall apply:

1) a copy of the appointment or removal proposal shall be sent (before notice of meeting is given to the shareholders) to the accounting firm proposed to be appointed or proposing to leave its post or the accounting firm which has left its post in the relevant accounting year (leaving includes leaving by removal, resignation or retirement);

2) if the accounting firm leaving its post makes representations in writing and requests the Company to give notice of such representations to the shareholders, the Company shall take the following measures (unless the representations are received too late):

    1. in any notice of the resolution given to shareholders, state the fact of the representations having been made; and

    2. attach a copy of the representations to the notice and deliver it to the shareholders in the manner stipulated in the Articles of Association;

3) if the Company fails to send out the accounting firm's representations in the manner set out in sub-paragraph (2) above, such accounting firm may request for the representations be read out at the general meeting and may lodge further complaints;

4) an accounting firm which is leaving its post shall be entitled to attend the following general meetings:

    1. the general meeting at which its term of office would otherwise have expired;

    2. the general meeting at which it is proposed to fill the vacancy caused by its removal; and

    3. the general meeting which is convened as a result of its resignation;

    and the accounting firm leaving its post shall have the right to receive all notices of, and other information relating to, any such meetings, and to speak at any such meetings in relation to matters concerning its role as the former accounting firm of the Company.

Article 244. Prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment thereof. The accounting firm shall have the right to make representations to the general meeting of shareholders. Where the accounting firm resigns from its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.

An accounting firm may resign its office by depositing at the Company's legal registered address a resignation notice. Such notice shall contain any of the following statements:

1) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or

2) a statement of any such circumstances.

Such notice shall become effective on the date the notice is deposited at the Company's legal registered address or such later date as may be stipulated in such notice.

The Company shall, within fourteen days after receipt of the notice referred to in the preceding paragraph, send a copy of the notice to the relevant governing authority. If the notice contains a statement under the preceding sub-paragraph (2), a copy of such statement shall be placed at the Company for the shareholders' inspection. The Company shall also send a copy of such statement by prepaid mail to every holder of overseas-listed foreign shares and of domestic shares at the addresses registered in the register of members.

Where the accounting firm's notice of resignation contains a statement of any circumstances which should be brought to the notice of the shareholders of the Company, the accounting firm may request the Board of Directors to convene an extraordinary general meeting of shareholders for the purpose of giving an explanation of the circumstances connected with its resignation.

Chapter 17 Merger and Division of the Company

Article 245. Any merger or division of the Company shall be proposed by the Company's Board of Directors and approved according to the procedures stipulated in the Articles of Association, subject to the completion of the relevant approval procedures according to the law. A shareholder who objects to the plan of merger or division shall have the right to demand the Company or the shareholders who consent to the plan of merger or division to acquire such dissenting shareholders' shareholding at a fair price. The content of the resolutions approving the Company's merger and division shall constitute a special document, which shall be available for the shareholders' inspection.

As to the holders of the overseas-listed foreign shares, the above-mentioned documents shall also be delivered by mail or by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.

Article 246. The merger of a company may take the form of merger by absorption or merger by the establishment of a new company.

In the event of a merger, all parties to the merger shall execute a merger agreement and prepare balance sheets and a list of assets. The Company shall notify its creditors within ten days of the date of the Company's merger resolution and shall make public announcements in newspapers which are in compliance with relevant regulations within thirty days of the date of the Company's merger resolution.

Article 247. The creditors shall be entitled to request the Company to repay its debts or provide appropriate guarantees within thirty days of the receipt of the notification, or where no such notification is received, within forty-five days from the date of the first public announcement.

After the merger, the claims and liabilities of all parties to the merger shall be assumed by the company which survives the merger or the newly established company.

Article 248. Where there is a division of the Company, its assets shall be divided accordingly.

In the event of a division of the Company, the parties to the division shall execute a division agreement and prepare balance sheets and a list of assets. The Company shall notify its creditors of the resolution with respect to the division within ten days of the date of the Company's division resolution and make public announcements in newspapers which are in compliance with the relevant regulations within thirty days of the date of the Company's division resolution.

Article 249. Creditors shall have the right to request the Company to repay its debts or provide appropriate guarantees within thirty days of receipt of the notification, or where no such notification is received, within forty-five days from the date of the first public announcement.

The liabilities of the Company prior to the division shall be assumed in accordance with the agreement between the Company and the creditors. Where there is no agreement, the liabilities of the Company shall be assumed jointly and severally by the companies resulting from the division.

Article 250. The Company shall, in accordance with law, apply for change in its registration with the companies' registration authority where a change in any item in its registration arises as a result of any merger or division. In the event the Company is dissolved, the Company shall apply for the cancellation of its registration according to the law. In the event a new company is established, the Company shall apply for registration thereof in accordance with the law.

Chapter 18 Dissolution and Liquidation of the Company

Article 251. The Company shall be dissolved and liquidated according to law upon the occurrence of any of the following events:

1) a resolution for dissolution has been passed at a general meeting of shareholders;

2) the dissolution is necessary as a result of a merger or division of the Company;

3) the Company is declared bankrupt according to law due to its failure to repay debts as they become due;

4) the Company is dissolved by the People's Court in accordance with pertinent provisions of the Company Law;

5) the Company has its business licence revoked, or is ordered to shut down, or is cancelled in accordance with the law ; or

6) the term of operation of the Company set out in the Articles of Association is expired or one of the events which are grounds for dissolution as set out in the Articles of Association has been occurred.

The Company may survive by amending the Articles of Association in the event of the circumstance as set forth in sub-paragraph (6),

Article 252. When the Company is dissolved pursuant to sub-paragraph (1), (4), (5) or (6) of the preceding Article, a liquidation committee shall be set up within fifteen days commencing from the date on which the events being the grounds for dissolution has been occurred and the

composition of which shall be determined by an ordinary resolution at a general meeting of shareholders. If no liquidation committee has been established to conduct liquidation within the time limit, the creditors may request the People's Court to designate the relevant personnel to form a liquidation committee to conduct liquidation. If the Company is to be dissolved pursuant to sub-paragraph (2) of the first paragraph of the preceding Article, the liquidation process shall be handled by the parties to the merger or division in accordance with the contract entered into at the time of merger or division.

If the Company is to be dissolved pursuant to sub-paragraph (3) of the first paragraph of the preceding Article, the People's Court shall, according to the relevant laws and regulations, organise the shareholders, shall organise the shareholders, relevant authorities and professionals to form a liquidation committee so as to carry out the liquidation proceedings.

Article 253. Where the board determines to liquidate the Company (except for liquidation upon declaration of bankruptcy by the Company), the Board of Directors shall include a statement in its notice convening a general meeting for such purpose that, after making full inquiry into the affairs of the Company, the Board of Directors is of the opinion that the Company will be able to pay its debts in full within twelve months from the commencement of the liquidation.

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

The liquidation committee shall act in accordance with the instructions given at a general meeting, to make a report at least once every year to the general meeting on the income received and the expenses incurred by the committee, the business of the Company and the progress of the liquidation, and to present a final report to the general meeting on the completion of the liquidation.

Article 254. The liquidation committee shall notify the creditors within ten days of its establishment, and issue public announcements in newspapers which are in compliance with relevant regulations within sixty days. The liquidation committee shall register all claims.

Members of the liquidation committee shall discharge their duties honestly and carry out liquidation obligations according to the law, and shall not accept bribes or other unlawful income by abusing their powers, and shall not misappropriate the Company's assets.

Members of the liquidation committee shall be liable to indemnify the Company and its creditors for any loss arising from their wilful or material breach of duties.

Article 255. The creditors shall report their claims to the liquidation committee within thirty days of the receipt of the written notification, or in the event that no such notification is received, within forty-five days of the date of the first public announcement. When the creditors report their claims, they shall make clear relevant matters regarding the claims and provide supporting evidence. The liquidation committee shall register the claims.

Article 256. The liquidation committee shall exercise the following functions and powers during the liquidation period:

1) to examine the Company's assets and to prepare a balance sheet and an inventory of assets;

2) to give notice to the creditors or to notify them via public announcements;

3) to dispose and liquidate any outstanding business of the Company;

4) to pay up all outstanding taxes and taxes incurred during the liquidation process;

5) to settle the Company's claims and debts;

6) to dispose of the remaining assets of the Company after all its debts have been paid; and

7) to represent the Company in civil proceedings.

Article 257. The liquidation committee shall, after examining the Company's assets, preparing the balance sheets and an inventory of assets, formulate a liquidation plan and present it to the general meeting of shareholders or the relevant governing authority for confirmation.

The assets of the Company shall be distributed in the following order:

1) the liquidation expenses;

2) paying wages, social insurance contributions and statutory compensation of employees of the Company;

3) taxes owed by the Company;

4) the debts of the Company; and

5) distribution to the shareholders according to the proportion of their respective shareholdings.

No assets of the Company shall be distributed to the shareholders until the obligations listed in items (1) through (4) have been fulfilled.

After the assets are applied by the Company to settle debts in accordance with the above provisions, the remaining assets shall be distributed to the shareholders according to the class of shares held by them and the proportion of their shareholdings.

After the establishment of the liquidation committee, the functions and power of the Board of Directors and the president shall cease immediately. During the liquidation period, the Company shall not engage in any new business activities.

Article 258. If the Company is liquidated due to dissolution, and the liquidation committee discovers after examining the assets of the Company as well as preparing a balance sheet and an inventory of assets that the Company's assets are insufficient to repay the Company's debts in full, the liquidation committee shall immediately apply to the People's Court for a declaration of insolvency.

After the Company is declared bankrupt by a ruling of the People's Court, the liquidation committee shall transfer all matters arising from liquidation to the People's Court.

Article 259. After completion of the Company's liquidation, the liquidation committee shall prepare a liquidation report together with an income and expense statement and financial ledgers for the liquidation period which shall be submitted to the general meeting of shareholders or the People's Court for confirmation as well as submitting the same to the companies' registration authority for application for the cancellation of the Company's

registration and for making public announcements in connection with the termination of the Company.

Chapter 19 Procedures for Amendment of the Articles of the Association

Article 260. The Articles of Association may be amended by the Company in accordance with the laws, administrative regulations and the requirements of the Articles of Association.

Article 261. The Company shall amend the Articles of Association under any of the following circumstances:

1) following the amendments to the Company Law or other relevant laws or administrative regulations, the matters provided for in the Articles of Association conflict with the requirements of the amended laws or administrative regulations;

2) following the change in the state of the Company's affairs, which are inconsistent with matters provided for in the Articles of Association; or

3) following a resolution passed at the general meeting of shareholders to amend the Articles of Association.

Article 262. Any amendment to the Articles of Association passed by a resolution at a general meeting shall be filed with the authorities for approval if it is so required. If there is any change relating to the registered particulars of the Company, application shall be made for a change of registration in accordance with the law.

Article 263. The Board of Directors shall amend the Articles of Association in accordance with the resolutions adopted at a general meeting of shareholders and with the approval opinion of the relevant competent authorities.

Article 264. Amendments to the Articles of Association shall be publicly disclosed, if so required by laws and regulations, by announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant requirements.

Chapter 20 Insurance

Article 265. The Company shall take out insurance for its principal assets and business from recognized insurance companies as permitted by the law. The types of coverage, the insured amount and the term of insurance shall be determined by the Board of Directors in accordance with the law and based on the practices in the same industry.

Article 266. The Company shall make contributions for social insurance in accordance with the relevant requirements of the State and the Shenzhen municipality.

Chapter 21 Labour Management

Article 267. Pursuant to the law and the Articles of Association, the Company shall establish rules and regulations relating to the recruitment, probation, employment, resignation, dismissal, vocational training, job allocation, working conditions, labour protection, wages and compensation, staff welfare benefits, working hours, leave, labour discipline and other matters of its staff and workers in order to protect the rights of the staff and to ensure the staff perform their obligations.

Article 268. The Company shall have the right to deal with matters relating to the internal labour relationship of the Company and reject the illegal intervention from any department or individual.

Article 269. The Company shall establish a labour contract system. Employees of the Company must execute labour contracts with the Company according to law.

Article 270. The staff of the Company must comply with the rules and regulations in respect of labour management.

All staff of the Company must keep confidential trade secrets of the Company; otherwise, they shall indemnify the Company for the corresponding loss suffered by it.

The resignation of the staff of the Company must be subject to the completion of the relevant formalities in accordance with the procedures stipulated by the Company .

Article 271. The staff of the Company shall have the right to organize a labour union according to law. The labour union shall protect the lawful rights and interests of the staff of the Company according to law.

Article 272. When the Company examines issues involving the personal interests of the staff such as those concerning their wages, welfare benefits, production safety, labour protection and labour insurance, it shall first listen to the opinions of its labour union and the staff as well as inviting representatives of the labour union or the staff to attend the relevant meetings as non-voting attendees.

When the Company conducts studies on major production and operation issues and formulates important rules and regulations, it shall listen to the opinions and recommendations of its labour union and staff of the Company.

Chapter 22 Notices

Article 273. Notices of the Company shall be given by way of the following:

1) by courier;

2) by mail;

3) by announcement;

4) by electronic mails or by making them available on the websites designated by the Company and the relevant stock exchange(s), to the extent permitted under the laws, administrative regulations and rules of the securities regulatory authorities of the jurisdiction(s) where the shares of the Company are listed; or

5) other means stipulated in the Articles.

Article 274. Notices given by the Company by way of announcements shall be deemed to be received by all parties concerned once published.

Unless the context otherwise requires, ‘‘announcements’’ referred to in the Articles shall mean, in relation to announcements to holders of domestics shares or announcements required by the relevant provisions and the Articles to be published in the PRC, such announcements published

in PRC newspapers designated under the PRC laws and regulations or by the securities regulatory authorities under the State Council; or, in relation to announcements to shareholders of H shares or announcements required by the relevant provisions and the Articles to be published in Hong Kong, such announcements that must be published in the Company's website, the website of the Hong Kong Stock Exchange and other websites stipulated by the Listing Rules from time to time in accordance with the requirements of the Listing Rules.

Article 275. Notices, circulars, relevant documents or written statements to be delivered by the Company to holders of overseas-listed foreign shares must be delivered by courier or by prepaid mail at the registered address of each such holder of overseas-listed foreign shares; notices, information or written statements may be delivered to such shareholders in either the English or Chinese version in accordance with the requirements and procedures set out in the Listing Rules, and may also be delivered by making them available on the websites of the Company and the Hong Kong Stock Exchange in accordance with the requirements and procedures set out in the Listing Rules.

Where notices, circulars, relevant documents or written statements are being delivered by the Company to holders of overseas-listed foreign shares,

such notices of general meetings, circulars, relevant documents or written statements and relevant documents may be delivered in either the English or Chinese version in accordance with the requirements and procedures set out in the Listing Rules.

Article 276. The notice convening a general meeting of shareholders of the Company shall, in the case of holders of the overseas-listed foreign shares, be given in accordance with Article 274 of this Chapter, or, in the case of holders of the domestic shares, be given by way of public announcement. The relevant announcement shall be published in newspapers which are in compliance with the relevant requirements.

Article 277. The notice convening a board meeting of the Company may be given in writing or by way of telephone, fax or such other methods as approved by not less than two-thirds of the directors.

Article 278. The notice convening a Supervisory Committee meeting of the Company may be given in writing or by way of telephone, fax or such other methods as agreed by not less than two-thirds of the supervisors.

Article 279. If the notice of the Company is given in person, the recipient shall sign (or seal) on the return receipt and the date of signing the return receipt by the recipient shall be deemed to be the date of delivery; if the notice of the Company is sent by post, the only requirements are to clearly mark the address thereon with postage prepaid and to place the same into an envelope and delivery shall be deemed to have taken place when such envelope is placed in a mailbox while receipt shall be deemed to have taken place upon forty-eight (48) hours after mailing the same; if the notice is issued by public announcement and the relevant announcement is published in newspapers which are in compliance with the relevant requirements, the date of the first public announcement shall be deemed to be the date of delivery; if the notice is given by telephone or by fax, the date on which such notice is effectively given to the recipient in person or in writing shall be deemed to be the date of delivery.

Article 280. The Company has designated the China Securities Journal, the Securities Times and Shanghai Securities News as the newspapers for publishing information of the Company and other information necessary for disclosure as well as designating the website

http://www.cninfo.com.cn as the website for publishing periodic reports of the Company.

Chapter 23 Disclosure of Information

Article 281. The Company shall, strictly in accordance with the laws and regulations and the Articles of Association, disclose true, accurate and complete information on a timely basis.

Article 282. Under the leadership of the Board of Directors, the disclosure of information of the Company shall specifically be conducted by the secretary to the Board of Directors.

Article 283. Except for information disclosed in accordance with the mandatory requirements, the Company shall actively disclose on a timely basis any information which may create a substantial effect on the decisions made by a shareholder or any other interested party, and shall ensure that all shareholders shall have the equal opportunity to obtain such information.

Article 284. Information disclosed by the Company shall be easily comprehensible. The Company shall assure that any user will be able to obtain information in an economical and expedient manner (such as via the Internet).

Article 285. The Company shall disclose information relating to corporate governance in accordance with the laws, regulations and other relevant provisions, including but not limited to the following:

1) the members and composition of the Board of Directors and the Supervisory Committee;

2) the work performed by, and the assessment of, the Board of Directors and the Supervisory Committee;

3) the performance and assessment of the independent non-executive directors, including the attendance of the independent non-executive directors at the board meeting, details of their speech providing their independent opinions thereat as well as opinions on matters relating to connected transactions and the appointment and removal of directors and senior officers;

4) the composition and performance of various special committees;

5) actual circumstances on implementation of corporate governance, circumstances showing any deviation from the provisions of *Administration Standards Governing Listed Companies* and the reasons therefor; and

6) specific proposals and measures on improving the corporate governance.

Article 286. The Company shall, in accordance with the relevant provisions, timely disclose details of any shareholders holding a relatively large proportion of shareholdings and those who may have effective control over the Company when acting in concert with the others, or details of the persons who exercise effective control over the Company.

Article 287. The Company shall be aware of on a timely basis and disclose the change in the shareholdings of the Company together with other material issues which may result in such change.

Article 288. When a controlling shareholder of the Company increases or decreases his shareholding in, or pledges the shares of, the Company, or when there is a transfer of the

controlling interest in the Company, the Company and its controlling shareholders shall timely and accurately disclose the relevant information to all shareholders.

Chapter 24 Dispute Resolution

Article 289. The Company shall comply with the following principles for dispute resolution:

1) Whenever any dispute or claim of rights arises between holders of the overseas-listed foreign shares and the Company, holders of the overseas-listed foreign shares and the Company's directors, supervisors, president or other senior officers, or holders of the overseas-listed foreign shares and holders of domestic shares, in respect of any rights or obligations conferred or imposed by the Articles of Association, the Company Law and other relevant laws and administrative regulations concerning the affairs of the Company, such dispute or claim of rights shall be referred to arbitration by the relevant parties.

   Where such dispute or claim of rights is referred to arbitration, the entire claim of rights or dispute must be referred to arbitration, and all persons, who have a cause of action based on the same facts giving rise to the dispute or claim of rights or whose participation is necessary for the resolution of such dispute or claim of rights, shall abide by the arbitration provided that such person is the Company or the Company's shareholder, director, supervisor, president or any other senior officer.

   Disputes in relation to the identification of shareholders and disputes in relation to the register of members need not be referred to arbitration.

2) A claimant may elect for arbitration to be carried out at either the China International Economic and Trade Arbitration Commission in accordance with its Arbitration Rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim of rights to arbitration, the other party must submit to the arbitral body selected by the claimant. If a claimant elects for arbitration to be carried out at Hong Kong International Arbitration Centre, any party to the dispute or claim of rights may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre.

3) If any dispute or claim mentioned in sub-paragraph (1) above is referred to arbitration, the laws of the PRC shall apply, save as otherwise provided in the laws and administrative regulations.

4) The award of an arbitral body shall be final and conclusive and binding on all parties.

Chapter 25 Supplementary Rules

Article 290. The Board of Directors may formulate supplementary regulations pursuant to the Articles of Association. Such supplementary regulations of the Articles of Association shall not contravene the provisions of the Articles of Association.

Article 291. Pursuant to the requirements of the Articles of Association, the Board of Directors shall formulate both the *Rules of Procedure for General Meetings of Shareholders* and *Rules of Procedure for Board of Directors Meetings* which shall not contravene the provisions of the Articles of Association and shall constitute appendices to Articles of Association after consideration and approval at the general meeting of shareholders.

The Supervisory Committee shall formulate the *Rules of Procedure for Supervisory Committee Meetings* pursuant to, and not in contravention of, the Articles of Association and shall constitute an appendix to the Articles of Association upon consideration and approval at the general meeting of shareholders.

Article 292. For the purposes of the Articles of Association, the term "accounting firm" shall have the same meaning as an "auditor".

Article 293. The Articles of Association are drafted in Chinese and English and the two versions are equally valid. In the event of any discrepancy, the Chinese version shall prevail.

Article 294. For the purpose of the Articles of Association, the terms "not less than", "within", "not more than" are all inclusive terms while "less than", "beyond" and "more than" are exclusive terms.

Article 295. These Articles of Association shall be interpreted by the Board of Directors.

Shenzhen, the PRC 6 April 2023

Note: These Articles of Association has been prepared in Chinese and English respectively. In case of discrepancy, the Chinese version shall prevail.