



華能新能源股份有限公司
Huaneng Renewables Corporation Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0958)

Articles of Association

**Approved by the 2010 First Shareholders' Extraordinary General Meeting
on August 6, 2010**

**And Revised by the Fourth Meeting of the Second Session of
the Board of Directors dated December 20, 2013,
the Eleventh Meeting of the Second Session of
the Board of Directors dated March 17, 2015,
the 2014 Annual General Meeting dated June 25, 2015
and the 2015 Annual General Meeting dated June 23, 2016**

Note: The Articles of Association is drafted in Chinese and the English translation is for your reference only.
In case of any inconsistencies between the Chinese and the English remain, the Chinese version shall prevail.

* *For identification purpose only*

HUANENG RENEWABLES CORPORATION LIMITED

Articles of Association

CHAPTER 1: GENERAL PROVISIONS

Article 1 In order to protect the lawful rights and interests of Huaneng Renewables Corporation Limited (hereinafter “the Company”) and its shareholders and creditors, regulating the organization and acts of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), Securities Law of the People’s Republic of China (the “Securities Law”), State Council’s Special Regulations Regarding the Issue of Shares Overseas and the Listing of Shares Overseas by Companies Limited by Share (the “Special Regulations”), Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”), the Opinions on the Revision and Supplement to Articles of Association of Companies to be Listed on Hong Kong (the “Revision and Supplement to the MP”) and other relevant laws and regulations.

Article 2 The Company is a joint stock limited company established in accordance with the Company Law, the Special Regulations and other relevant laws and regulations of the People’s Republic of China (The “PRC”).

The Company was established with the approval of the State-owned Assets Supervision and Administration Commission of the State Council (Document Guozigaige 2010 No. 818). It is registered with and has obtained a business license from State Administration for Industry and Commerce of the PRC on August 5, 2010. The Company’s business license number is: 100000000037334.

The promoters of the Company are: China Huaneng Group and Huaneng Capital Services Corporation Ltd.

Article 3 The Company’s registered Chinese name: 華能新能源股份有限公司

The Company’s registered English name: Huaneng Renewables Corporation Limited.

Article 4 The registered address of the Company: 10-11th Floor,
No. 23A Fuxing Road,
Haidian District, Beijing
Postal code: 100036
Telephone number: 86-10-68221618
Facsimile number: 86-10-68223990

Article 5 The Chairman of the board of directors shall be the company's legal representative.

Article 6 The Company is a joint stock limited company of perpetual existence.

The Company is an independent legal entity with independent properties and rights therein, which shall enjoy civil rights and assume civil obligations in accordance with the law.

All the company's assets are divided into equal shares. Each shareholder is responsible to the company up to his subscribed shares. The company is responsible for its debts up to its total assets.

Article 7 The Articles of Association are approved by the special resolution of the shareholders' meeting of the Company and shall become effective on the date when the overseas listed shares, permitted by relevant departments of the PRC, are listed on The Stock Exchange of Hong Kong Limited (hereinafter "the Stock Exchange") and replace the Articles of Association which has been registered with the Administration for Industry and Commerce.

From the date on which the Articles of Association come into effect, the Articles of Association shall become a legally binding document which regulates the Company's organization and behavior, the rights and obligations between the Company and the shareholders, and among the shareholders.

Article 8 The Articles of Association are binding on the Company and its shareholders, directors, supervisors, President and other senior officers of the Company; all of whom are entitled, according to the Articles of Association, to make claims in respect of rights concerning the matters of the Company.

Subject to Article 215 of the Articles of Association, a shareholder may take action against the Company pursuant to the Articles of Association and vice versa. A shareholder may also take action against another shareholder, the directors, supervisors, President and other senior officers of the Company pursuant to the Articles of Association.

The actions referred to in the preceding paragraph include court proceedings and arbitration proceedings.

In the previous paragraph, the “other senior officers” refer to the Vice President, Chief Financial Officer and secretary to the board of directors and other officers employed by the board of directors.

Article 9 Upon approval of relevant governmental department, the Company may set up subsidiaries or branches such as sub-branches, representatives and offices in overseas or Hong Kong, Macao and Taiwan, according to its operating and management needs.

Article 10 The Company may invest in other enterprises provided, however, that it shall not become an investor that shall bear several and joint liabilities for the debts of the enterprises it invests in, unless otherwise provided by law.

CHAPTER 2: THE COMPANY’S OBJECTIVES AND SCOPE OF BUSINESS

Article 11 The Company’s objectives are: to provide clean resources; to fulfill social responsibility; to promote harmony, innovation, pursuit for excellence and serve as a leading enterprise in new energy field in China.

Article 12 The Company’s scope of business shall be consistent with and subject to the scope of business approved by the authority responsible for the registration of the Company.

The Company’s scope of business includes: investment, development, production and project construction of wind power, city solid waste power generation, solar energy utilization, tidal power generation and other new energy projects; manufacture, development, design, production, sales, integration and transfer achievements of projects construction equipment, materials and techniques; projects investment management.

CHAPTER 3: SHARES, SHARE TRANSFER AND REGISTERED CAPITAL

Article 13 There must, at all times, be ordinary shares in the Company. Subject to the approval of the companies approving department authorized by the State Council, the Company may, according to its requirements, create different classes of shares.

Article 14 The equities of the Company shall be represented by shares. The shares issued by the Company shall each have a par value of Renminbi one yuan

“Renminbi” means the legal currency of the PRC.

Article 15 Issuing of company shares shall adopt an open, fair and just principle. Shares of the same type shall have equal rights.

During the issuance of the same type of shares, each share shall have the same conditions of issuance and price. Any such share subscribed by any unit or individual should charge the same price.

Article 16 Subject to the approval of the securities authority of the State Counsel, the Company may issue shares to Domestic Investors and Foreign Investors.

“Foreign Investors” mean those investors who subscribe for the Company’s shares and who are located in foreign countries and in the regions of Hong Kong, Macau and Taiwan. “Domestic Investors” mean those investors who subscribe for the Company’s shares and who are located within the territory of the PRC.

Article 17 Shares which the Company issues to domestic investors for subscription in Renminbi shall be referred to as Domestic Shares. Shares which the Company issues to foreign investors for subscription in foreign currencies shall be referred to as Foreign Shares. Foreign shares which are listed overseas are called Overseas Listed Foreign Shares.

“Foreign currencies” mean the legal currencies of countries or districts outside the PRC which are recognized by the foreign exchange authority of the State and which can be used to pay the share price to the Company.

Overseas-Listed Foreign Shares issued by the Company and which are listed in Hong Kong shall be referred to as “H Shares”. H Shares as shares which have been admitted for listing on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the par value of which is denominated in Renminbi and which are subscribed for and traded in Hong Kong dollars.

The holders of domestic shares may transfer their shares to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange, subject to the approval of the securities authority of the State Council. To list or trade the transferred shares on an overseas stock exchange, the regulating procedures, rules and requirements of the overseas stock market shall be governed. Voting by holders of different classes of shares is not required in the situation where the transferred shares are listed or trade on an overseas stock exchange.

Article 18 Subject to the approval of the companies approving department, the Company may issue a total of 5,800 million ordinary shares to the promoters of the Company at the time when the Company was established, of which 5,510

million ordinary shares, representing 95% of the total number of ordinary shares which may be issued by the Company, were issued to China Huaneng Group, and 290 million ordinary shares, representing 5% of the total number of ordinary shares which may be issued by the Company, were issued to Huaneng Capital Services Corporation Ltd.

Article 19

Upon the establishment of the Company and the approval of securities regulatory authority of the State Council, the Company has issued 3,229,215,360 Overseas-Listed Foreign Shares. Shareholders of state-owned shares of the Company have transferred to National Social Security Fund (“NSSF”) the 264,688,800 state-owned shares in accordance with the regulations on reduction of the state-owned shares, upon issuance of Overseas-Listed Foreign Shares pursuant to an initial public offering.

Upon the issuance of abovementioned Overseas-Listed Foreign Shares by way of an initial public offering in June 2011, the total number of shares of the Company was 8,446,898,000, and the share capital structure of the Company was as follows: China Huaneng Group held 5,258,545,600 shares, representing 62.25% of total ordinary share capital; Huaneng Capital Services Corporation Ltd. held 276,765,600 shares, representing 3.28% of total ordinary share capital; NSSF held 264,688,800 shares, representing 3.13% of total common share capital; shareholders of H shares held 2,646,898,000 shares, representing 31.34% of total ordinary share capital.

Upon the issuance of 582,317,360 Overseas-Listed Foreign Shares by way of a non-public issue in October 2013, the total number of shares of the Company is 9,029,215,360, and the share capital structure of the Company is as follows: China Huaneng Group holds 5,258,545,600 shares, representing 58.24% of the total ordinary share capital; Huaneng Capital Services Corporation Ltd. holds 276,765,600 shares, representing 3.07% of the total ordinary share capital; NSSF holds 264,688,800 shares, representing 2.93% of the total ordinary share capital; shareholders of H shares hold 3,229,215,360 shares, representing 35.76% of the total ordinary share capital.

Upon the issuance of 698,780,832 Overseas-Listed Foreign Shares by way of a non-public issue in December 2014, the total number of shares of the Company is 9,727,996,192, and the share capital structure of the Company is as follows: China Huaneng Group holds 5,258,545,600 shares, representing 54.06% of the total ordinary share capital; Huaneng Capital Services Corporation Ltd. holds 276,765,600 shares, representing 2.85% of the total ordinary share capital; NSSF holds 264,688,800 shares, representing 2.72% of the total ordinary share capital; shareholders of H shares hold 3,927,996,192 shares, representing 40.38% of the total ordinary share capital.

Article 20 The Company's board of directors may take all necessary action for the issuance of Overseas-Listed Foreign Shares and Domestic Shares after proposals for issuance of the same have been approved by the securities authority of the State Council.

The Company may implement its proposal to issue Overseas-Listed Foreign Shares and Domestic Shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval by the securities authority of the State Council.

Article 21 Where the total number of shares stated in the proposal for the issuance of shares includes Overseas-Listed Foreign-Invested Shares and Domestic-Invested Shares, such shares should be fully subscribed for at their respective offerings. If the shares cannot be fully subscribed for all at once due to special circumstances, the shares may, subject to the approval of the securities authority of the State Council, be issued in separate branches.

Article 22 The registered capital of the Company shall be RMB9,727,996,192 when the Overseas-Listed Foreign Shares are issued.

Article 23 The Company may, based on its operating and development needs, authorize the increase of its capital pursuant to the Company's Articles of Association.

The Company may increase its capital in the following ways:

- (1) offering new shares to non-specially-designated investors for subscription;
- (2) issuing new shares to its existing shareholders;
- (3) allotting bonus Shares to its existing shareholders;
- (4) conversion of capital reserve; and
- (5) any other means which is stipulated by law and administrative regulation and approved by the securities regulatory authority under the State Council.

After the Company's increase of share capital by means of the issuance of new shares has been approved in accordance with the provisions of the Articles of Association, the issuance thereof should be made in accordance with the procedures set out in the relevant laws and administrative regulations.

After the Company's increase or decrease of share capital, the Company shall register with the Administration for Industry and Commerce and issue an announcement.

Article 24 Unless otherwise stipulated in the relevant laws or administrative regulations or when permitted by the Stock Exchange, shares in the Company shall be free from any restriction on the right of transfer and shall also be free from all lien.

Article 25 The Company may not accept its own shares as the subject matter of a pledge.

Article 26 Shares of the Company held by the promoter are not transferable within one year commencing from the date of establishment of the Company. Shares of the Company that are already in issue prior to its public offering are not transferable within one year commencing from the date on which the shares of the Company were listed and traded on a stock exchange.

The directors, supervisors and senior officers of the Company shall report to the Company the number of shares held by them in the Company and the subsequent changes in their shareholdings. The number of shares which a director, supervisor or senior officer may transfer every year during his period of office shall not exceed 25% of the total number of the Company's shares in his or her possession; and shares of the Company in his or her possession are not transferable within one year commencing from the date on which the shares of the Company were listed and traded on a stock exchange. Such personnel shall not transfer the Company's shares in their possession within six months after they have terminated their employment with the Company. If the restriction on the transfer of shares provided herein relates to H Share, the approval of the Stock Exchange is required.

Article 27 Any gains from the sale of shares of the Company by any Company's director, supervisor, senior officer or shareholders holding 5% or more of the shares in the Company within six months after purchasing such shares, or thereafter any gains from repurchasing such shares in the Company within six months after the sale thereof, shall be vested in by the Company. The Board of the Company shall forfeit such gains from the abovementioned parties. If the restriction on the transfer of shares provided herein relates to H Share, the approval of the Stock Exchange is required. However, if a securities company undertakes unsold shares, thereby holding more than 5% of the shares, the sale of these shares shall not be subject to the said 6 month restriction.

If the Board of the Company fails to comply with the provision set forth in the preceding paragraph, a shareholder shall have the right to require the Board to affect the same within thirty (30) days. If the Board fails to do so within the said time limit, a shareholder shall have the right to initiate proceedings in a court directly in his own name in the interests of the Company.

If the Board of the Company fails to comply with the provision set forth in the first paragraph of this Article, the responsible Director(s) shall be jointly and severally liable therefor in accordance with the law.

CHAPTER 4: REDUCTION OF CAPITAL AND REPURCHASE OF SHARES

Article 28 The Company may reduce its registered capital. The reduction of the registered capital shall follow the procedures set out in the Articles of Association in accordance with the Company Law and other relevant regulations.

Article 29 The Company must prepare a balance sheet and an inventory of assets when it reduces its registered capital.

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 an announcement in a newspaper designated by the stock exchange(s) on which the shares of the Company are listed within thirty days of the date of such resolution. A creditor has the right within thirty days of receipt of the notice from the Company or, in the case of a creditor who does not receive such notice, within forty-five days of the date of the announcement, to require the Company to repay its debts or to provide a corresponding guarantee for such debt.

Article 30 The Company may, in accordance with the procedures set out in the Articles of Association and subject to the approval of the relevant governing authority of the PRC, repurchase its issued shares under the following circumstances:

- (1) cancellation of its shares for the purpose of reducing its registered capital;
- (2) merging with another company which holds the shares of the Company;
- (3) granting shares as incentive compensation to the staff of the Company;
- (4) acquiring the shares of shareholders who vote against any resolution adopted at the shareholders' general meeting on the merger or division of the Company; or

(5) other circumstances permitted by the laws and administrative regulations.

Article 31

The Company may, upon the approval of the relevant PRC governing authorities, repurchase its shares in one of the following ways:

- (1) making a pro rata general offer of repurchase to all its shareholders;
- (2) repurchasing shares through public trading on a stock exchange;
- (3) repurchasing by an off-market agreement; and
- (4) other ways as approved by the relevant regulatory authority.

Article 32

The Company must obtain the prior approval of the shareholders in a general meeting, in the manner stipulated in the Company's Articles of Association, before it can repurchase shares by means of an off-market agreement. The Company may, by obtaining the prior approval of the shareholders in a general meeting, in the same manner, release or, vary or waive its rights under an agreement which has been so entered into.

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

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

As regards redeemable shares that, where the issuer has the right to repurchase a redeemable share, repurchase not made through the market or by tender shall be limited to a maximum price; and if repurchase are made by tender, tenders shall be available to all shareholders alike.

Article 33

If the Company repurchases its shares pursuant to Item (1) of Article 30, the Company shall cancel such shares within the time limit provided by the laws and administrative regulations, and register the changed registered capital with the company registration authority and publish an announcement; If the Company repurchases its shares pursuant to Item (2) or Item (4) of Article 30, it shall transfer or cancel such shares within time limit provided by the laws and administrative regulations, and register the changed registered capital with the company registration authority and publish an announcement. The number of the Company's shares repurchased by the Company pursuant to Item (3) of Article 30 shall not exceed the maximum proportion of the total issued shares

of the Company, and the shares so repurchased shall be transferred to employees within the time limit set out in the laws and administrative regulations.

If the Company cancels the shares as a result of repurchase of shares, it shall register the changed registered capital with the company registration authority. The aggregate par value of the cancelled shares shall be deducted from the Company's registered share capital.

Article 34

Unless the Company is in the course of liquidation, it must comply with the following provisions in relation to repurchase of its issued 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 proceeds of a new issue of shares made for that purpose;
- (2) where the Company repurchases shares of the Company at a premium to its par value, payment up to the par value may be made out of the book surplus distributable profits of the Company or out of the proceeds of a new issue of shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:
 - (i) if the shares being repurchased were issued at par value, payment shall be made out of the book surplus distributable profits of the Company;
 - (ii) if the shares being repurchased were issued at a premium to its par value, payment shall be made out of the book surplus distributable profits of the Company or out of the proceeds of a new issue of shares made for that purpose, provided that the amount paid out of the proceeds of the new issue shall not exceed the aggregate amount of premiums received by the Company on the issue of the shares repurchased nor shall it exceed the book value of the Company's premium account (or capital reserve account) (including the premiums from the new issue) at the time of the repurchase;
- (3) the Company shall make the following payments out of the Company's distributable profits:
 - (i) payment for the acquisition of the right to repurchase its own shares;
 - (ii) payment for variation of any contract for the repurchase of its shares;

- (iii) payment for the release of its obligation(s) under any contract for the repurchase of 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 provisions, the amount deducted from the distributable profits of the Company for payment of the par value of shares which have been repurchased shall be transferred to the Company's premium account (or capital reserve account).

CHAPTER 5: FINANCIAL ASSISTANCE FOR ACQUISITION OF SHARES

Article 35 The Company and its subsidiaries shall not, at any time, provide any form of financial assistance to a person who is acquiring or is proposing to acquire shares in the Company. This includes any person who directly or indirectly incurs any obligations as a result of the acquisition of shares in the Company (the "Obligor").

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

This Article shall not apply to the circumstances specified in Article 37 of this Chapter.

Article 36 For the purposes of this Chapter, "financial assistance" includes (without limitation) the following:

- (1) gift;
- (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 loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or the change in parties to, or the assignment of rights under, such loan or agreement; and
- (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, “assumption of obligations” includes 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 obligation is to be borne solely by the Obligor or jointly with other persons) or by any other means which results in a change in his financial position.

Article 37

The following actions shall not be deemed to be activities prohibited by Article 35 of this Chapter:

- (1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interests of the Company, and the principal purpose of which is not for the acquisition of shares in the Company, or the giving of the financial assistance is an incidental part of some larger purpose of the Company;
- (2) the lawful distribution of the Company’s assets by way of dividend;
- (3) the allotment of bonus shares as dividends;
- (4) a reduction of registered capital, a repurchase of shares of the Company or a reorganization of the share capital structure of the Company effected in accordance with the Company’s Articles of Association;
- (5) the lending of money by the Company within its scope of business and in the ordinary course of its business, where the lending of money is part of the scope of business of the Company (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 distributable profits); or
- (6) contributions made by the Company to the employee share ownership 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 distributable profits).

CHAPTER 6: SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS

Article 38

Share certificates of the Company shall be in registered form.

The share certificate of the Company shall, aside from matters required by the Company Law and the Special Regulations, also contain other matters required to be stated therein by the stock exchange(s) on which the Company's shares are listed.

During the period when the H shares are listed in Stock Exchange, the Company must ensure that all of the documents relating to the title to the shares listed on Stock Exchange (including H shares) include the statements as follows. The Company shall instruct and procure the share registrars not to register the subscription, purchase or transfer of share in the name of any individual holder unless and until he submits such properly executed forms to the share registrars which shall include the statements as follows:

- (1) agreements among the purchaser of the share, the Company and each shareholder, and between the Company and each shareholder, have been reached to comply with and in accordance with the Company Law, the Special Regulations and other laws, administrative regulations and the Company's Articles of Association.
- (2) the purchaser of the share and the Company, each of the shareholders, directors, supervisors, President and other senior officers of the Company, as well as the Company when acting on behalf of the Company and each director, supervisor, President and other senior officer, agree with each shareholder that all of the disputes and claims arising from the Articles of Association, or any rights and obligations stipulated in the Company Law and other Chinese laws and administrative regulations relating to the Company, shall be referred to arbitration in accordance with the Articles of Association. Any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award which is final.
- (3) the purchaser of the share, the Company and each shareholder agree that the shares of the Company may be freely transferable by the holder.
- (4) the purchaser of the share authorizes the Company to reach an agreement on behalf of him with each of the directors, President and other senior officers to authorize such directors, President and other senior officers to comply with and perform their duties to the shareholders in accordance with the Articles of Association.

Article 39

Share certificates of the Company shall be signed by the Chairman of the Company's board of directors. Where the stock exchange(s) on which the Company's shares are listed require other senior officer(s) of the Company to sign on the share certificates, the share certificates shall also be signed by such

senior officer(s). The share certificates shall take effect after being sealed or affixed by way of printing with the seal of the Company. The share certificate shall only be affixed with the Company's seal under the authorization of the board of directors. The signatures of the Chairman of the board of directors or other senior officer(s) of the Company may be printed in mechanical form.

Article 40

The Company shall keep a register of shareholders which shall contain the following particulars:

- (1) the name (title) and address (residence), the occupation or nature of each shareholder;
- (2) the class and quantity of shares held by each shareholder;
- (3) the amount paid-up on or agreed to be paid-up on the shares held by each shareholder;
- (4) the share certificate number(s) of the shares held by each shareholder;
- (5) the date on which each person 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 shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company.

All acts or transfers of Overseas-Listed Foreign Shares shall be registered on the register of shareholders for the holders of Overseas-Listed Foreign Shares which maintained at the place where it is listed in accordance with the Articles of Association.

Where two or more persons are registered as shareholders in a joint account of any share, they should be deemed as joint owners of relevant share subject to the followings:

- (1) the Company does not have to register more than four persons as shareholders in a joint account of any share;
- (2) the shareholders in a joint account shall, together or individually, pay the amounts payable for relevant share;

- (3) if any of shareholders in a joint account dies, only the surviving persons of the shareholders in the joint account may be deemed as holders of relevant share of the Company, but the board of directors is entitled to require the death certificate which it considers to be proper as regard to the amendment to the register of shareholders; and
- (4) as regard to the shareholders in a joint account for any share, only the person whose name is at the first place on the register of shareholders has the rights to receive the stock of relevant share and notice from the Company and to attend or exercise all of the votes relating to the share. The notice which is serviced on the above-mentioned person should be deemed to be serviced on all of the shareholders in the joint account for relevant share.

Article 41

The Company may, in accordance with the mutual understanding and agreements made between the securities authority of the State Council and overseas securities regulatory organizations, maintain the register of shareholders of Overseas-Listed Foreign Shares overseas and appoint overseas agent(s) to manage such register of shareholders. The original register of holders of Overseas-Listed Foreign Shares listed in Hong Kong shall be maintained in Hong Kong.

A duplicate register of holders of Overseas-Listed Foreign Shares shall be maintained at the Company's residence. The appointed overseas agent(s) shall ensure consistency between the original and the duplicate register of holders 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 shall prevail.

Article 42

The Company shall maintain a complete register of shareholders which shall comprise the following parts:

- (1) the register of shareholders which is maintained at the Company's residence (other than those share registers which are described in subparagraphs (2) and (3) of this Article);
- (2) the register of shareholders in respect of the holders of Overseas-Listed Foreign Shares of the Company which is maintained in the same place as the overseas stock exchange on which the shares are listed; and
- (3) the register of shareholders which are maintained in such other place as the board of directors may consider necessary for the purposes of the listing of the Company's shares.

Article 43

Different parts of the register of shareholders shall not overlap. No transfer of Shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of shareholders.

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

Article 44

All Overseas-Listed Foreign Shares listed in Hong Kong which have been fully paid-up may be freely transferable in accordance with the Articles of Association. However, unless such transfer complies with the following requirements, the board of directors may refuse to recognize any instrument of transfer and would not need to provide any reason therefor:

- (1) a fee of HK\$2.50 per instrument of transfer or any maximum fees as stipulated by the Stock Exchange at that time has been paid to the Company for registration of the instrument of transfer and other documents relating to or which will affect the right of ownership of the shares;
- (2) the instrument of transfer only relates to Foreign Foreign-Invested Shares listed in Hong Kong;
- (3) the stamp duty which is payable on the instrument of transfer has already been paid;
- (4) the relevant share certificate(s) and any other evidence which the board of directors may reasonably require to show that the transferor has the right to transfer the shares have been provided;
- (5) if it is intended that the shares be transferred to joint owners, the maximum number of joint owners shall not be more than four;
- (6) the Company does not have any lien on the relevant shares; and
- (7) any share shall not be transferred to minors or person of unsound mind or other person who is of incapacity in law.

If the Company refuses to register any transfer of shares, the Company shall within two months of formal application for the transfer provide the transferor and transferee with a notice of refusal to register such transfer.

Article 45 The transfer of the Overseas-Listed Foreign Shares listed in Hong Kong shall be effected by instruments of transfer in an normal or ordinary form or any other transfer document in writing accepted by the board of directors (including standard transfer form or form of transfer specified by Stock Exchange from time to time); the transfer document may be signed by hand only or under seal (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house (hereinafter “Recognized Clearing House”) or its attorney as defined by relevant rules applicable from time to time in accordance with the law of Hong Kong, the transfer form may be signed by hand or printed by machine.

All of the transfer documents shall be deposited at the residence of the Company or at such other place as is specified by the board of directors from time to time.

Article 46 No change may be made in the register of shareholders as a result of a transfer of shares within thirty (30) days prior to the date of a shareholders’ general meeting or within five (5) days before the record date for the Company’s distribution of dividends.

Article 47 When the Company convenes a shareholders’ meeting, distributes dividends, is liquidated or undertakes any other acts which requires determination of rights attaching to shares in the Company, the board of directors shall decide on a date for the registration of rights attaching to shares in the Company. The shareholders of the Company shall be such persons who appear in the register of shareholders at the close of such registration date.

Article 48 Any person aggrieved and claiming to be entitled to have his name (title) entered in or removed from the register of shareholders may apply to a court of competent jurisdiction for rectification of the register.

Article 49 Any person who is a registered shareholder or who requests his name be entered in the register of shareholders in respect of shares in the Company may, if his share certificate (the “original certificate”) relating to the shares is lost, apply to the Company for a replacement share certificate in respect of such shares (the “Relevant Shares”).

Application by a holder of Domestic Shares, who has lost his share certificate, for a replacement share certificate shall be dealt with in accordance with the Company Law.

Application by a holder of Overseas-Listed Foreign Shares, who has lost his share certificate, for a replacement share certificate may be dealt with in accordance with the law of the place where the original register of shareholders of holders of Overseas-Listed Foreign Shares is maintained, the rules of the stock exchange or other relevant regulations.

The issue of a replacement share certificate to a holder of Overseas-Listed Foreign Shares of a company listed in Hong Kong, who has lost his share certificate, shall comply with the following requirements:

- (1) The applicant shall submit an application to the Company in a prescribed form accompanied by a notarial certificate or a statutory declaration stating the grounds upon which the application is made and the circumstances and evidence of the loss; and declaring that no other person is entitled to have his name entered in the register of shareholders in respect of the relevant shares.
- (2) The Company has not received any declaration made by any person other than the applicant declaring that his name shall be entered into the register of shareholders in respect of such shares before it decides to issue a replacement share certificate to the applicant.
- (3) The Company shall, if it intends to issue a replacement share certificate, publish a notice of its intention to do so at least once every thirty days within a period of ninety (90) consecutive days in such newspapers as may be prescribed by the board of directors.
- (4) The Company shall, prior to publication of its intention to issue a replacement share certificate, deliver to the stock exchange on which its shares are listed, a copy of the notice to be published and may publish the notice upon receipt of confirmation from such stock exchange that the notice has been exhibited in the premises of the stock exchange. Such notice shall be displayed in the premises of the stock exchange for a period of ninety (90) days.

In the case of an application which is 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 notice 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 have received any objections from any person in respect of the issuance of the replacement share certificate, it may issue a replacement share certificate to the applicant pursuant to his application.

- (6) Where the Company issues a replacement share certificate pursuant to this Article, it shall forthwith cancel the original share certificate and document the cancellation of the original share certificate and issuance of a replacement share certificate in the register of shareholders accordingly.
- (7) All expenses relating to the cancellation of an original share certificate and the issuance of a replacement share certificate shall be borne by the applicant and the Company is entitled to refuse to take any action until reasonable security is provided by the applicant therefor.

Article 50 Where the Company issues a replacement share certificate pursuant to the Articles of Association and a bona fide purchaser acquires or becomes the registered owner of such shares, his name (title) shall not be removed from the register of shareholders.

Article 51 The Company shall not be liable for any damages sustained by any person by reason of the cancellation of the original share certificate or the issuance of the replacement share certificate unless the claimant is able to prove that the Company has acted fraudulently.

CHAPTER 7: SHAREHOLDERS' RIGHTS AND OBLIGATIONS

Article 52 A shareholder of the Company is a person who lawfully holds shares in the Company and whose name (title) is entered in the register of shareholders.

A shareholder shall enjoy rights and assume obligations according to the class and amount of shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations. The various classes shall enjoy that same rights for any distribution by way of dividend or otherwise.

If the shareholder of the Company is a legal entity, the rights shall be enforced by its legal representative or his agent.

No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the company.

Article 53 The ordinary shareholders of the Company shall enjoy the following rights:

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

- (2) the right to attend shareholders' general meetings and to vote thereat in accordance with laws;
- (3) the right of supervisory management over the Company's business operations and the right to present proposals or to raise queries;
- (4) the right to transfer shares in accordance with 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 Company's Articles of Association, subject to payment of costs;
 - (ii) the right to inspect and copy, subject to payment of a reasonable fee:
 - (a) the register of all shareholders;
 - (b) personal particulars of each of the Company's directors, supervisors, President and other senior officers, including:
 - (aa) present and former name and alias;
 - (bb) principal address (place of residence);
 - (cc) nationality;
 - (dd) primary and all other part-time occupations and duties;
 - (ee) identification documents and the numbers thereof;
 - (c) report on the status of the Company's share capital;
 - (d) latest audited financial report, and reports of the board of directors, auditors and Board of supervisors;
 - (e) special resolutions of the Company;

- (f) 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;
- (g) a copy of the latest annual return filed with the State Administration for Industry and Commerce of the PRC or other competent authorities for inspection; and
- (h) minutes of shareholders' general meetings;

The Company shall make available the documents mentioned in sub-section (5)(ii)(a)-(h) above and other applicable documents at its Hong Kong representative office for inspection, free of charge, by the public and the shareholders in accordance with requirements of the listing rules.

A shareholder requesting for inspection of information or access to materials referred to in the preceding Article shall produce to the Company written documents evidencing the class and number of shares that the shareholder holds. The Company shall provide such information and materials as requested by the shareholder after confirming the identity of the shareholder.

- (6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of surplus assets of the Company in accordance with the number of shares held; and
- (7) other rights conferred by laws, administrative regulations and the Articles of Association.

Article 54

If the content of a resolution of a shareholders' general meeting or the board of directors violates any laws or administrative regulations, a shareholder has the right to file a petition with the court to invalidate the resolution.

If the procedure for convening or the method of voting at a shareholders' general meeting or a meeting of the board of directors violates any laws, administrative regulations or the Articles of Association, or if the contents of a resolution breaches the Company's Articles of Association, a shareholder may file a petition with the court to revoke the resolution within sixty (60) days from the date on which the resolution was passed.

Article 55

If a director or any senior officer has violated any laws, administrative regulations or the Articles of Association in the course of performing his or her duties to the Company, and thereby caused the Company to incur a loss, a shareholder or shareholders who individually or jointly hold more than one per cent of the Company's shares for more than one hundred and eighty (180) consecutive days may request in writing the board of supervisors to initiate proceedings in the court. If the board of supervisors has violated the laws, administrative regulations or the Articles of Association in the course of performing its duties to the Company, and thereby caused the Company to incur a loss, shareholder(s) may request in writing the board of directors to initiate proceedings in the court in respect thereof.

If the board of supervisors or the board of directors refuse to initiate proceedings after receipt of a written request from the shareholder(s) as mentioned in the preceding paragraph, or fails to initiate proceedings within thirty (30) days of the date of receipt of the request, or under urgent circumstances where failure to initiate the proceedings immediately would cause irreparable damage to the Company's interests, the shareholders mentioned in the preceding paragraph are entitled to directly initiate proceedings in the court in their own names in the interests of the Company.

If any third party infringes the lawful interests of the Company and has caused a loss to the Company, the shareholders mentioned in the first paragraph of this Article may initiate proceedings in the court according to the provisions of the two preceding paragraphs.

Article 56

If a director or any senior officer violate laws, administrative regulations or the Articles of Association and prejudices the interests of the shareholders of the Company, the shareholders may initiate proceedings in the court in respect thereof.

Article 57

The ordinary shareholders of the Company shall assume the following obligations:

- (1) to comply with the Company's Articles of Association;
- (2) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (3) to be responsible to the company up to his subscribed shares;
- (4) not to withdraw his share capital unless required by laws or administrative regulations;

- (5) not to abuse their shareholders' rights to harm the Company's or other shareholders' interests; not to abuse the Company's independent legal person status or his limited liability as a shareholder to harm the interests of the Company's creditors.

If a shareholder abuses its shareholder rights and causes a loss to the Company or other shareholders, he shall be held liable for damages in accordance with the law.

If a shareholder abuses the Company's independent legal person status or his limited liability as a shareholder to evade and repudiate debts, thereby materially impairing the interests of the Company's creditors, he shall bear joint and several liability for the debts of the Company;

- (6) other obligations imposed by laws, administrative regulations and the Company's Articles of Association.

Shareholders shall not bear any liability for further contribution to share capital other than the conditions agreed to by the subscribers of the relevant shares on subscription.

Article 58

In addition to the obligations imposed by laws and administrative regulations or required by the listing rules of the stock exchange on which the Company's shares are listed, a controlling shareholder (as such term is defined in the following Article) 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) of the Company's assets in any way, including (without limitation) opportunities which are beneficial to the Company;
- (3) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including (without limitation) rights to distributions and voting rights (save in a company restructuring which has been approved by the shareholders in a general meeting in accordance with the Articles of Association).

The controlling shareholder or de facto controller of the company may not use his connected relationship to damage the company's interests. If this requirement is contravened, resulting in damage to the company, he should be responsible to compensate.

The controlling shareholder and de facto controller of the Company have fiduciary duty towards the Company and shareholders holding the public shares of the Company. The controlling shareholder should exercise his rights as a contributor in strict compliance with the laws. The controlling shareholder cannot make use of methods such as the distribution of profits, restructuring of assets, external investment, possession of capital, borrowing or providing guarantee, in order to damage the legal interests of the Company and shareholders of public shares. He cannot make use of his controlling position against the legal interests of the Company and shareholders of public shares.

Article 59

For the purpose of the foregoing Article, a “controlling shareholder” means a person who satisfies any one of the following conditions:

- (1) a person who, acting alone or in concert with others, has the power to elect more than half of the board of directors;
- (2) a person who, acting alone or in concert with others, has the power to exercise or to control the exercise of 30 % or more of the voting rights in the Company;
- (3) a person who, acting alone or in concert with others, holds 30 % or more of the issued and outstanding shares of the Company;
- (4) a person who, acting alone or in concert with others, has de facto control of the Company in any other way.

The “acting in concert with others” in this Article means that two or more persons reach an agreement (whether in oral or writing) to obtain voting rights of the Company to obtain or strengthen the control of the Company.

CHAPTER 8: SHAREHOLDERS' GENERAL MEETINGS

Article 60

The shareholders' general meeting is the organ of authority of the Company and shall exercise its functions and powers in accordance with law.

Article 61

The shareholders' general meeting shall have the following functions and powers:

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

- (2) to elect and replace the directors who are not staff representatives and to decide on matters relating to the remuneration of those directors;
- (3) to elect and replace supervisors who are not staff representatives and to decide on matters relating to the remuneration of supervisors;
- (4) to examine and approve the board of directors' reports;
- (5) to examine and approve the board of supervisors' reports;
- (6) to examine and approve the Company's proposed annual financial budget and final accounts;
- (7) to examine and approve the Company's annual profit distribution plans and loss recovery plans;
- (8) to decide on the increase or reduction of the Company's registered capital;
- (9) to decide on matters such as merger, division, dissolution, liquidation of the Company, or changes in the form of the Company;
- (10) to decide on the issue of debentures or other securities by the Company;
- (11) to decide on the appointment, dismissal or non-reappointment of the accountants of the Company;
- (12) to amend the Articles of Association;
- (13) to examine and approve the security-related matters according to laws, administrative regulations or the Articles of Association;
- (14) to examine the matters of purchase and/or sale by the Company within one year of significant assets exceeding thirty per cent (30%) of the latest audited total assets of the Company;
- (15) to examine stock incentive plans;
- (16) to examine and approve the matters proposed by shareholders who represent 5% or more voting rights of the company;
- (17) to decide on other matters which, according to laws, administrative regulations or the Articles of Association, need to be approved by shareholders in general meetings.

The shareholders in a general meeting may authorize the board of directors to carry out matters on their behalf or which they may sub-delegate to the board of directors provided that such authorization does not violate the laws, regulations and mandatory listing rules of the place where the company is listed.

Article 62

The Company shall not, without the prior approval of shareholders' special resolutions in a general meeting, enter into any contract with any person (other than a director, supervisor, President or other senior officer) whereby the Company delegates such person to the management and administration of the whole or any substantial part of the Company's business.

Article 63

Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the board of directors. Annual general meetings are held once every year and within six (6) months from the end of the preceding financial year.

The board of directors shall convene an extraordinary general meeting within two (2) months of the occurrence of any one 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 losses of the Company which are not made up reach one-third of the total amount of its share capital;
- (3) where shareholder(s) who individually or jointly holds 10% or more of the Company's issued and outstanding voting shares request(s) in writing for the convening of an extraordinary general meeting;
- (4) whenever the board of directors deems necessary or the board of supervisors so requests.

Article 64

The venue to hold a shareholder's meeting of the Company is: the Company's domicile or at such other place as is specified in the notice convening the meeting.

The shareholders' general meetings shall be held at a meeting place in the form of on site meeting. The Company may use the network or any other means for its shareholders to conveniently participate in the shareholders' general meetings.

Article 65

When the Company convenes a shareholders' general meeting, written notice of the meeting shall be given forty-five (45) days before the date of the meeting to notify all of the shareholders whose names appear in the share register of the matters to be considered and the date and place of the meeting. A shareholder who intends to attend the meeting shall deliver to the Company his written reply concerning his attendance at such meeting twenty (20) days before the date of the meeting.

When calculating the days of notice, the date of the meeting and the date of the notices sent should not be included.

For the notice sent according to this Article, the date of sent shall be the date when the notice is severed on relevant post office by the Company or the shares register authority engaged.

Article 66

When the Company convenes a shareholders' annual general meeting, shareholder(s) holding 3% or more of the total voting shares of the Company are entitled to propose to the Company in writing ad hoc resolutions, which if within the functions and powers of the shareholders' general meeting, are required to be added to the agenda of the general meeting.

The content of the resolutions mentioned in the preceding paragraph shall:

- (1) shall fall within the business scope of the Company and the functions and powers of the shareholders' general meeting without violating any laws and regulations;
- (2) contain definite subjects for discussion and specific matters to be resolved; and
- (3) shall be delivered or served on the Board of Directors in writing 10 days prior to the date of the shareholders' general meeting

Article 67

The Company shall, based on the written replies which it receives from the shareholders twenty (20) days before the date of the shareholders' general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amount to more than one-half of the Company's total voting shares, the Company may hold the meeting; if not, then the Company shall, within five (5) days, notify the shareholders by way of public announcement the matters to be considered at, and the place and date for, the meeting. The Company may then hold the meeting after publication of such announcement.

A shareholders' extraordinary general meeting shall not decide on any matter not stated in the notice for the meeting.

Article 68

A notice of a meeting of the shareholders of the Company shall satisfy the following criteria:

- (1) be in writing;
- (2) specify the place, date and time of the meeting;
- (3) state the matters to be discussed at the meeting;
- (4) specify the registration date for the shareholders entitled to attend the meeting;
- (5) provide such information and explanation as are 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 amalgamate the Company with another, to repurchase the shares of the Company, to reorganize 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;
- (6) contain a disclosure of the nature and extent of the material interests (if any) of any director, supervisor, President or other senior officer in the proposed transaction and explain the effect which the proposed transaction will have on them in their capacity as shareholders provided that it is different from the effect on other shareholders of the same class;
- (7) contain the full text of any special resolution to be proposed at the meeting;
- (8) contain a clear statement that a shareholder entitled to attend and vote at such meeting is entitled to appoint one (1) or more proxies to attend and vote at such meeting on his behalf and that a proxy need not be a shareholder;
- (9) specify the time and place for lodging proxy forms for the relevant meeting; and

- (10) specify the name and telephone number of the standing contact person of the meeting.

Article 69

Notice of shareholders' general meetings shall be served on each shareholder (whether or not such shareholder is entitled to vote at the meetings), by personal delivery or prepaid mail to the address of the shareholder as shown in the register of shareholders. Notice of shareholders' general meetings may be made by way of public announcement (including published on the website of the Company) subject to prior written or implied consent of the shareholders in accordance with relevant laws and regulations as well as the amended Listing Rules.

Public announcement of notices of shareholders' general meetings for holders of Domestic Shares shall be published in one or more newspapers designated by the securities regulatory authority of the State Council and the website of the Company during 45 days to 50 days prior to the date of the meeting. Upon the publication of announcement, all holders of Domestic Shares shall be deemed to have received notice of the relevant shareholders' meeting.

Article 70

The 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 71

Any shareholder who is entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one (1) or more persons (whether such person is a shareholder or not) as his proxies to attend and vote on his behalf, and a proxy so appointed shall be entitled to exercise the following rights pursuant to the authorization from that shareholder:

- (1) the shareholders' right to speak at the meeting;
- (2) the right to demand or join in demanding a poll; and
- (3) the right to vote by hand or on a poll, but a proxy of a shareholder who has appointed more than one (1) proxy may only vote on a poll.

If the shareholder is a recognized clearing house, such shareholder is entitled to appoint one or more persons as his proxies to attend on his behalf at a general meeting or at any class meeting; but, if one or more persons have such authority, the letter of authorization shall contain the number and class of the shares with respect to each of such authorized persons. Such person can exercise the right on behalf of the Recognized Clearing House (or its attorney) as if he is an individual shareholder of the Company.

Article 72

The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a legal entity, either under seal or under the hand of a director or a duly authorized attorney. The letter of authorization shall contain the number of the shares to be represented by the attorney. If several persons are authorized as the attorneys of the shareholder, the letter of authorization shall specify the number of the shares to be represented by each attorney.

Article 73

The instrument appointing a voting proxy and, if such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or other authority shall be deposited at the residence of the Company or at such other place as is specified for that purpose in the notice convening the meeting, not less than twenty-four (24) hours before the time for holding the meeting at which the proxy proposes to vote or the time appointed for the passing of the resolution.

If the appointer is a legal person, its legal representative or such person as is authorized by resolution of its board of directors or other governing body may attend any meeting of shareholders of the Company as a representative of the appointer.

The Company has the right to request a proxy who attends a shareholders' meeting to provide evidence of his or its identity.

If a shareholder which is a legal person (unless otherwise as a recognized clearing house or its representative) appoints its legal representative to attend a meeting on its behalf, the Company has the right to request such legal representative to produce evidence of his identity and a notarially certified copy of the resolutions of such shareholder's board of directors in respect of the appointment of the proxy or the power of attorney executed by such other organization which has the capacity to appoint the proxy.

Article 74

Any form issued to a shareholder by the Company's board of directors for use by such shareholder for the appointment of a proxy to attend and vote at meetings of the Company shall be such as to enable the shareholder to freely instruct the proxy to vote in favour of or against the motions, such instructions being given in respect of each individual matter to be voted on 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 thinks fit.

Article 75

A vote given in accordance with the terms of a proxy shall be valid notwithstanding the death or loss of capacity of the appointer or revocation of the proxy or the authority under which the proxy was executed, or the transfer

of the shares in respect of which the proxy is given, provided that the Company did not receive any written notice in respect of such matters before the commencement of the relevant meeting.

Article 76 When a shareholders' general meeting is held, all the directors, supervisors and secretary to the board of directors should attend the meeting. The other senior officers should be present at the meeting unless there is a proper reason.

Article 77 The conductor of the meeting should, before voting, announce the number of shareholders and their proxies as well as their shares held with voting rights. The number of shareholders and their proxies, as well as their shares held with voting rights, are in accordance with those registered at the meeting.

Article 78 Resolutions of shareholders' general meetings shall be divided into ordinary resolutions and special resolutions.

An ordinary resolution must be passed by votes representing more than one-half of the voting rights represented by the shareholders (including proxies) present at the meeting.

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

Article 79 A shareholder (including a proxy), when voting at a shareholders' general meeting, may exercise such voting rights as are attached to the voting shares which he represents. Each share shall have one (1) vote.

When the shareholders' general meeting is reviewing any substantial matter which affect the interest of medium and minority shareholders, medium and minority shareholders shall vote separately. The result of separate voting shall be disclosed promptly.

No voting rights shall be attached to the Company's shares held by the Company, and such shares shall be excluded for the purpose of calculating the total number of voting shares held by the shareholders present at the shareholders' general meeting.

When the shareholders' general meeting is reviewing connected transactions, if required by the listing rules of the stock exchange where the shares of the Company are listed, the connected shareholders may not vote and the shares they held shall not be counted into the effective total voting shares.

Where any shareholder, under applicable laws, regulations and the listing rules of the stock exchange on which the Company's shares are listed, is required to abstain from voting on any particular resolution or restricted to vote only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 80

At any shareholders' general meeting, a resolution shall be decided on a show of hands unless voting by way of a poll is required under the applicable listing rules and other securities regulations or demanded by the following persons before or after any vote by a show of hands:

- (1) the Chairman of the meeting;
- (2) at least two (2) shareholders present in person or by proxy entitled to vote thereat; or
- (3) one (1) or more shareholders present in person or by proxy who represent(s), individually or in aggregate, 10% or more of all shares carrying the right to vote at the meeting.

Unless voting by way of a poll is required under the applicable listing rules and other securities regulations or demanded by the persons, the Chairman may declare that a resolution has been passed on a show of hands and the record of such in the minutes of the meeting shall be conclusive evidence of the fact that such resolution has been passed. There is no need to provide evidence of the number or proportion of votes in favour of or against such resolution.

The demand for a poll may be withdrawn by the person who demands the same.

Article 81

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 question shall be taken at such time as the Chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

Article 82

On a poll taken at a meeting, a shareholder (including a proxy) entitled to two (2) or more votes need not cast all his votes in the same way.

Article 83 When shareholders' general meeting elects director(s), where there are two or more candidates, each of the shares held by the shareholders (including proxy) shall have voting rights equal to the number of the candidates, which may be voted for one candidate assembly or for candidates individually, provided that the allocation of the voting rights have been explained.

Article 84 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be have a casting vote.

Article 85 The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:

- (1) work reports of the board of directors and the board of supervisors;
- (2) annual profit distribution plans and loss recovery plans formulated by the board of directors;
- (3) election or removal of members of the board of directors and shareholder representative supervisors, their remuneration and manner of payment;
- (4) annual budgets and final accounts, balance sheets and profit and loss accounts and other financial statements of the Company; and
- (5) matters other than those which are required by the laws, administrative regulations, the listing rules of the stock exchange on which the Company's Shares are listed or the Articles of Association to be adopted by special resolution.

Article 86 The following matters shall be resolved by a special resolution at a shareholders' general meeting:

- (1) increase or reduction in share capital and the issue of shares of any class, warrants and other similar securities;
- (2) issue of debentures of the Company;
- (3) division, merger, dissolution, liquidation and change of the form of the Company;
- (4) amendment of the Articles of Association; and

- (5) any other matters considered by the shareholders in general meeting, and resolved by way of an ordinary resolution, to be of a nature which may have a material impact on the Company and should be adopted by a special resolution.

Article 87

Where any shareholders or supervisory board request for the convention of an extraordinary general meeting or a class meeting the following procedures shall be followed:

- (1) Shareholders or supervisory board who individually or in aggregate hold more than ten per cent (10%, included) of the Company's shares with voting right shall have the right to request in writing, a copy or more in the same form and content with the proposals to be discussed, the board of directors to convene an extraordinary general meeting or a class meeting. The board of directors shall convene the extraordinary general meeting or class meeting as soon as possible after it has received the request. The numbers of shares held by the shareholder(s) shall be counted on the date of the request in writing.
- (2) If the board of directors fails to give the notice to convene the meeting within thirty (30) days after it received the aforesaid request, the shareholders who individually or in aggregate hold more than ten per cent (10%, included) of the Company's shares shall have the right to request in writing the board of supervisor to convene the extraordinary shareholders' general meeting. The board of supervisors may convene the meeting at its own discretion within four (4) months after the board of directors has received the request; if the board of supervisors fails to convene the shareholders' general meeting, the shareholders who individually or in aggregate hold more than ten per cent (10%) of the Company's shares for more than ninety (90) days continuously may at their own discretion convene and preside such a meeting, conducted in a manner which is as similar as possible to that of shareholders' general meetings convened by the board of directors.

Any reasonable expenses incurred by the shareholders or the board of supervisors concerned by reason of failure by the board of directors to duly convene a meeting shall be repaid by the Company and any sum so repaid shall be set-off against sums owed by the Company to the defaulting directors.

In the shareholders general meeting, the board of directors and the board of supervisors shall answer or give explanation to the inquiries and proposals raised by shareholder(s), unless otherwise related to confidential business information which is not allowed to disclose.

Article 88 Shareholders' general meeting shall be convened and presided over by the Chairman of the board. Where the Chairman of the board is unable to attend such a meeting for any reason, the meeting shall be convened and presided over by the (a) Vice Chairman of the board. Where both the Chairman and the Vice Chairman of the board (or Vice Chairmen of the board) are unable to attend the meeting, the board of directors may designate a director of the Company to convene and preside over the meeting on its behalf. Where no Chairman is designated, the shareholders attending the meeting may elect one person to preside over the meeting. If for any reason the shareholders are unable to elect a Chairman, the shareholder holding the largest number of voting shares and attending the meeting (whether in person or by proxy) shall preside over the meeting.

Article 89 The Chairman of the meeting shall be responsible for determining whether a resolution has been passed. His decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minute book.

Article 90 If the Chairman of the meeting has any doubt as to the result of a resolution which has been put to vote at a shareholders' meeting, he may have the votes counted. If the Chairman of the meeting has not counted the votes, any shareholder who is present in person or by proxy and who objects to the result announced by the Chairman of the meeting may, immediately after the declaration of the result, demand that the votes be counted and the Chairman of the meeting shall have the votes counted immediately.

Article 91 If votes are counted at a shareholders' general meeting, the result of the count shall be recorded in the minute book.

The minutes, shareholders' attendance lists and proxy forms shall be kept at the Company's place of residence and may not be destroyed for at least ten (10) years.

Article 92 Copies of the minutes of any shareholders' meeting shall, during business hours of the Company, be open for inspection by any shareholder without charge. If a shareholder requests for a copy of such minutes from the Company, the Company shall send a copy of such minutes to him within seven (7) days after receipt of reasonable fees therefor.

CHAPTER 9: SPECIAL PROCEDURES FOR VOTING BY A CLASS OF SHAREHOLDERS

Article 93 Those shareholders who hold different classes of shares are class shareholders.

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

Where the capital of the issuer includes shares which do not carry voting rights, the words “non-voting” must appear in the designation of such shares.

Where the equity capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.

Article 94

Rights conferred on any class of shareholders may not be varied or abrogated save with the approval of a special resolution of shareholders in a general meeting and by the class shareholders affected at a separate meeting conducted in accordance with Articles 96 to 100.

Article 95

The following circumstances shall be deemed to be 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 to increase or decrease the number of shares of a class having voting right or right to dividends or 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 to create 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 accrued dividends or rights to cumulative dividends attached to shares of that class;
- (4) to reduce or remove preferential rights attached to shares of that class to receive dividends or the distribution of assets in the event that the Company is liquidated;
- (5) to add, remove or reduce share conversion rights, options, voting rights, transfer or pre-emptive rights, or rights to acquire securities of the Company attached to shares of that class;
- (6) to remove or reduce rights to receive payment payable by the Company in particular currencies attached to shares of that class;
- (7) to create a new class of shares having voting right, right to dividends 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 allot and issue rights to subscribe for, or to convert the existing shares into, shares in the Company of that class or another class;
- (10) to increase the rights or privileges of shares of another class;
- (11) to restructure the Company in such a way so as to result in the disproportionate distribution of obligations between the various classes of shareholders; and
- (12) to vary or abrogate any provision of this Chapter.

Article 96

Shareholders of the affected class, whether or not otherwise having the right to vote at shareholders' general meetings, have the right to vote at class meetings in respect of matters concerning subparagraphs (2) to (8), (11) and (12) of Article 95, but interested shareholder(s) shall not be entitled to vote at such class meetings.

“(An) interested shareholder(s)”, as such term is used in the preceding paragraph, means:

- (1) in the case of a repurchase of shares by way of a general offer to all shareholders of the Company or by way of public dealing on a stock exchange pursuant to Article 31, a “controlling shareholder” within the meaning of Article 59;
- (2) in the case of a repurchase of shares by an off-market agreement pursuant to Article 31, a holder of the shares to which the proposed agreement relates;
- (3) in the case of a restructuring of the Company, a shareholder who assumes a lower proportion of obligation than the obligations imposed on shareholders of that class under the proposed restructuring or who has an interest in the proposed restructuring different from the general interests of the other shareholders of that class.

Article 97

Resolutions of a class of shareholders shall be passed by votes representing more than two-thirds of the voting rights of shareholders of that class represented at the relevant meeting who, according to Article 96, are entitled to vote thereat.

Article 98

Written notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders forty-five (45) days before the date of the class meeting. Such notice shall give such shareholders notice of the matters to be considered at such meeting, the date and the place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply in respect thereof to the Company twenty (20) days before the date of the class meeting.

If the shareholders who intend to attend such class meeting represent more than half of the total number of shares of that class which have the right to vote at such meeting, the Company may hold the class meeting; if not, the Company shall within five (5) days give the shareholders further notice of the matters to be considered, the date and the place of the class meeting by way of public announcement. The Company may then hold the class meeting after such public announcement has been made.

Article 99

Notice of class meetings need only be served on shareholders entitled to vote thereat.

Class meetings shall be conducted in a manner which is as similar as possible to that of shareholders' general meetings. The provisions of the Articles of Association relating to the manner for convening shareholders' general meetings are also applicable to class meetings.

Article 100

Apart from the holders of other classes of shares, the holders of the Domestic Shares and holders of Overseas-Listed Foreign Shares shall be deemed to be holders of different classes of shares.

The special procedures for approval by a class of shareholders shall not apply in the following circumstances:

- (1) where the Company issues, upon the approval by special resolution of its shareholders in a general meeting, either separately or concurrently once every twelve (12) months, not more than 20% of each of its existing issued Domestic Shares and Overseas Foreign Shares;
- (2) where the Company's plan to issue Domestic Shares and Overseas-Listed Foreign Shares at the time of its establishment is carried out within fifteen (15) months from the date of approval of the securities authority of the State Council; or

- (3) where the share(s) held by the domestic shareholder(s) may be transferred to overseas investors, and such transferred shares may be listed or trade on an overseas stock exchange, subject to the approval of the securities authority of the State Council.

CHAPTER 10: BOARD OF DIRECTORS

Section 1 Directors

Article 101 The Company shall have a board of directors. The board of directors shall consist of eleven (11) directors. The board of directors shall have one (1) Chairman and four (4) independent non-execute directors.

Article 102 Directors shall be elected at the shareholders' general meeting each for a term of three (3) years. At the expiry of a director's term, the term is renewable upon re-election.

The Chairman and the Vice Chairman shall be elected and removed by more than one half of all of directors for a term of three (3) years, the term is renewable upon re-election.

The Director is not be required to hold any shares in the Company.

Any person appointed by the board of directors to fill a temporary vacancy on or as an addition to the board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election.

Article 103 The written notice of intention to propose a person for election as a director and the written notice by such person of his willingness to be elected, shall be sent to the Company no earlier than the day after the dispatch of the notice of the shareholders' general meeting and no later than 7 days prior to the date of such meeting. The minimum length of period during the nomination and acceptance of nomination will be at least 7 days.

Article 104 A director may resign before expiration of his term of service. For the purpose of resignation, the director shall submit a resignation report in writing to the board of directors.

If the resignation of the director causes the number of the board of directors lower than the quorum required by law, the former director shall, prior to the appointment of the successor, perform his duties in accordance with laws, administrative regulations and these Articles of Association.

Except as specified in the preceding paragraph, the director's resignation takes effect when his resignation report is served on the board of directors.

Article 105 When a director's resignation takes effect or his term of service expires, his duty to keep the business information confidential should survive unless such information becomes public knowledge.

Article 106 In the absence of a legal authorization by these Articles of Association or by the board of directors, no director may represent the Company or the board of directors in his name. When a director acts in his name, but a third party reasonably thinks that the director is representing the Company or the board of directors, that director should declare his position and capacity in advance.

Article 107 When a director violates laws, regulations or these Articles of Association while performing his duties, causing losses to the Company, he should be responsible to compensate.

Article 108 Any director, before the expiration of his term of service, shall be responsible for the damage of the Company caused by his/her absence from the Company without approval.

Subject to relevant laws and administrative regulations, the shareholders' general meeting shall have power by ordinary resolution to remove any director before the expiration of his/her term of service (but without prejudice to any claim for damages under any contract).

Where a director fails to attend meetings of the board of directors and has not appointed a representative to attend the meetings on his behalf for two consecutive times, he/she shall be deemed as incapable to perform his/her duty. The board of directors shall propose the shareholders' general meeting to remove the director.

Section 2 Independent Directors

Article 109 The Company shall set up independent directors system. Independent directors refer to the directors who hold no position in the company other than the position of director, and who maintain no relations with the Company and its major shareholder that might prevent them from making objective judgment independently.

The independent directors' period of office shall be three (3) years and renewable upon re-election but shall not exceed nine (9) years, unless otherwise provided by relevant laws, regulations and the listing rules of the stock exchange where the shares of the Company are listed.

Article 110

An independent director shall meet the following basic requirements:

- (1) with qualifications required to be a director of listed companies according to laws, administrative regulations and listing rules of the stock exchange where the shares of the Company are listed;
- (2) meet the independence requirements as stated in the listing rules of the stock exchange where the shares of the Company are listed;
- (3) with basic knowledge on the operation of listed companies and familiar with the relevant laws, administrative regulations, rules and other regulations;
- (4) with more than five years' work experience in law, economics or other fields required by his or her performance of the duties of an independent director;
- (5) other requirements set forth in the Articles of Association.

Article 111

The independent director shall have the following special powers other than those stipulated in the Company Law and other relevant laws, regulations, listing rules of the stock exchange on which the shares of the Company are listed and these Articles of Association:

- (1) to put forward the proposal to the board of directors relating to the appointment or removal of the accounting firm;
- (2) to propose to the board of directors to convene an interim shareholders' general meeting;
- (3) to propose to convene a meeting of the board of directors;
- (4) subject to consent from all independent directors and at the Company's expenses, to appoint external auditor or consulting organization independently to audit or advise on detailed matters of the Company;

Consent from no less than 1/2 of all the independent directors shall be obtained if an independent director desires to exercise the above-mentioned power other than the sub-paragraph (4). If the above proposals are not adopted or the above power cannot be exercised, the Company should disclose the related information.

Article 112 The independent director shall not be dismissed without proper reason before the term of his/her office expires. If an independent director is dismissed by the Company before the term of his/her office expires, the Company shall disclose the dismissal as special disclosure matter.

If an independent director fails to attend the meeting of the board of directors in person for three consecutive times, the board of directors may request the shareholders' general meeting to replace the director.

Article 113 As regard to the regulations on independent directors, if not provided in this section, the provisions of relevant laws, regulations, rules and listing rules of the stock exchange where the shares of the Company are listed shall apply.

Section 3 Board of Directors

Article 114 The board of directors is accountable to the shareholders' general meeting and exercises the following functions and powers:

- (1) to convene shareholders' general meetings and to report on its work to the shareholders in general meetings;
- (2) to implement the resolutions passed by the shareholders in general meetings;
- (3) to determine the Company's business plan, investment proposals, detailed annual business objectives and financing plans other than by ways of issue of corporate bonds or other securities and of listing;
- (4) to formulate the Company's annual final financial budgets and final accounts;
- (5) to formulate the Company's proposed profit distribution proposal and plan for making up for losses;
- (6) to formulate proposals for the increase or reduction of the Company's registered capital and plans for the issue of the corporate bonds or other securities and the listing plan;
- (7) to prepare plans for the material acquisition, purchase of the Company's shares, or merger, division, dissolution or change of corporate forms of the Company;

- (8) to decide on the Company's internal management structure and the establishment or cancellation of the Company's branches and other sub-branches;
- (9) to elect the Company's Chairman and Vice Chairman;
- (10) pursuant to the nominations by the Chairman to appoint or dismiss the President and board secretary of the Company, to appoint or dismiss chairmen of all special committees under the Board;
- (11) pursuant to the President's nominations to appoint or dismiss a Vice President and chief accountant of the Company and to decide on their remuneration, incentive and punishment;
- (12) to formulate the Company's basic management system;
- (13) to propose plans for amendments to these Articles of Association;
- (14) to formulate the Company's share incentive scheme;
- (15) to deal with disclosures of information on our Company;
- (16) to decide on the establishment of special committees;
- (17) to decide on and to monitor the implementation of the Company's risk management system, including risk assessments, financial control, internal audit and legal risk control;
- (18) to propose to the shareholders' general meetings the appointment or replacement of the auditor of our Company;
- (19) to receive regular or irregular work reports submitted by the Company's President or senior officers appointed by the President, and to approve the work reports of the President;
- (20) to decide on corporate guarantees in accordance with the applied laws and the Articles of Association. The Board may delegate the aforesaid rights to the Company's management team;
- (21) to exercise other functions and powers conferred by laws and regulations, the listing rules of the stock exchange on which the shares of the Company are listed, the shareholders' general meetings and these Articles of Association.

Resolutions relating to the above, with the exception of items (6), (7) and (13) above which shall require the consent of more than two-thirds of the directors, shall require the consent of more than half of the directors. The board of directors shall carry out its duties in accordance with laws and administrative regulations of the PRC, these Articles of Association and resolutions of the shareholders.

The board of directors of the company should explain to the shareholders' meeting the financial report of the company, whenever a registered accountant presents a qualified opinion.

Article 115

The board of directors may set up special committees including audit committee, remuneration committee, nomination committee and strategy committee etc. to assist the board of directors on performing its powers, or to advise or consult on decisions of the board of directors. The organization and terms of reference of the committees shall be formulated by the board of directors.

Article 116

Where a company intends to invest in any other enterprise or provide guaranty for others, it shall, unless otherwise provided by laws, regulations, these Articles of Association or listing rules of the stock exchange where the shares of the Company are listed, make a resolution through the board of directors. However, if the Company intends to provide guaranty to a shareholder or actual controller of the Company, it shall make a resolution through the shareholder's general meeting.

The shareholder as mentioned in the preceding paragraph or the shareholder dominated by the actual controller as mentioned in the preceding paragraph shall not participate in voting on the matter as mentioned in the preceding paragraph. Such matter requires the affirmative votes of more than half of the other shareholders attending the meeting.

The Company shall set up strict internal control system on guaranty for others. All of the directors shall be prudent and strictly control the debt risks arising from guaranty for others.

If the company provide guaranty for others, measures for risk prevention such as counter-guaranty by the other party shall be adopted. The provider of the counter-guaranty shall have actual capacity to bear it.

The directors who has personal responsibilities for the loss of the Company caused by the guaranty for others in violation of relevant laws, regulations, rules and the Company's Articles of Association shall bear joint and several liabilities.

Article 117

The board of directors shall not, without the prior approval of shareholders in a general meeting, dispose or agree to dispose of any fixed assets of the Company where the aggregate of the expected value of the proposed disposition and the total amount of all the dispositions of fixed assets of the Company that have been completed in the period of four (4) months immediately preceding the proposed disposition, exceeds thirty-three percent (33%) of the value of the Company's fixed assets as shown in the latest balance sheet which was tabled at a shareholders' general meeting.

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

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

Article 118

The Chairman of the board of directors shall exercise the following powers:

- (1) to preside over shareholders' general meetings and to convene and preside over meetings of the board of directors;
- (2) to urge and check on the implementation of resolutions passed by the board of directors at directors' meetings;
- (3) to urge and organize to formulate the rules for the operation of the board of directors and to coordinate the operation of the board of directors;
- (4) to sign the securities certificates issued by the Company;
- (5) to sign the significant documents of the board of directors;
- (6) to sign the significant documents with legal effectiveness on behalf of the Company;
- (7) where there is emergency of force majeure such as serious natural disasters, to exercise the special right of disposal of the Company in accordance with the laws and for the interest of the Company, and report to the board of directors and shareholders' general meeting afterwards;
- (8) to exercise other powers conferred by the board of directors.

When the Chairman is unable to exercise his powers, such powers shall be exercised by the Vice Chairman who has been designated by the Chairman to exercise such powers on his behalf.

Article 119

The Vice Chairman assists the Chairman of the board of directors. When the Chairman is unable to perform his/her duties and fail to designate a Vice Chairman to perform the duties on his/her behalf, the Vice Chairman shall perform the duties (if the company has two or more Vice Chairmen, then these duties will be carried out by the Vice Chairman nominated by more than half of the directors). If the Vice Chairman is unable or fail to perform his duties, more than half of the directors will nominate a director to perform the duties.

Article 120

Meetings of the board of directors shall be held at least four times every year and shall be convened by the Chairman of the board of directors. Notice of meetings shall be delivered to all of the directors fourteen (14) days prior to the date of meeting.

Extraordinary meetings of the board of directors may be held:

- (1) upon proposal by more than three (3, inclusive) directors;
- (2) upon proposal by the board of supervisors;
- (3) upon proposal by more than one half of independent directors;
- (4) when the Chairman of the board of directors considers necessary;
- (5) upon proposal by shareholders representing more than 10% voting rights of the Company;
- (6) upon proposal by the President.

Article 121

Notice of meetings and extraordinary meetings of the board of directors shall be delivered by telephone, facsimile or email. The time limit for the delivery of notice of meetings of the board of directors shall be at least fourteen (14) days. Extraordinary meetings subject to no time limit.

The time and place of the meeting may be appointed by the board of directors in advance and record in the minutes. If the minutes have been sent to all of the directors at least 14 days prior to the date of the next meeting, there is no need to send another notice to the directors.

If a director has attended the meeting and made no statement before or during the meeting that he did not receive the notice of the meeting, he is deemed to have received the notice of the meeting.

The meeting of the board of directors may be held by telephone or other similar equipments. As regard to such meeting, if the directors attending the meeting may hear the speaking of the others and communicate with each other, all of the directors attending the meeting shall be deemed as attending the meeting in person.

Article 122

Meetings of the board of directors shall be held only if more than half of the directors are present, unless otherwise for considering the connected transaction matters as provided in Article 124 of these Articles of Association.

Each director shall have one (1) vote. Unless otherwise provided for connected transaction matters in Article 124 of these Articles of Association, a resolution of the board of directors must be passed by more than half of all of the directors of the Company.

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

A document signed to vote by directors respectively, if the number of the directors who consent on the documents reaches the quorum for the meeting as required by the laws, regulations and these Articles of Association, should be deemed as effective as a resolution of a meeting of the board legally held. Such document may be in duplicates, each of which signed by one or more directors. For the purpose of this Article, a resolution with a director's signature or name sent to the Company by post, facsimile or person shall be deemed as a document signed by the director.

Article 123

Directors shall attend the meetings of the board of directors in person. Where a director is unable to attend a meeting for any reason, he may by a written power of attorney appoint another director to attend the meeting on his/her behalf. The power of attorney shall set out the scope of the authorization.

A Director appointed as a representative of another director to attend the meeting shall exercise the rights of a director within the scope of authorization conferred by the appointing director. Where a director is unable to attend a meeting of the board of directors and has not appointed a representative to attend the meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.

Article 124

When a director has an associated relationship with an enterprise (which means a director or senior officer who has a position in the other party of the transaction, or in an enterprise which may control, or be controlled by, the other party of the transaction directly or indirectly) which is involved with a resolution to be decided at a board of director's meeting, he/she cannot vote on

that resolution, and cannot vote on behalf of other directors. That director's meeting can be held if more than half of the unassociated directors attends. Resolutions made by the board of director's meeting should be passed by more than half of the unassociated directors. If less than three unassociated directors attend the board meeting, the matter should be submitted to the shareholders' meeting for discussion.

Article 125

The board of directors shall keep minutes of resolutions passed at meetings of the board of directors. The minutes shall be signed by the directors present at the meeting and the person who recorded the minutes. The minutes shall be kept for ten (10) years. The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates the laws, administrative regulations or the Company's Articles of Association and the Company suffers material losses as a result thereof, the directors who participated in the passing of such resolution are liable to compensate the Company therefor. However, if it can be proven that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be released from such liability.

Minutes of a board of directors' meeting includes the following contents:

- (1) Date and place of the meeting as well as the name of the convener,
- (2) Names of directors attending the meeting and names of the directors appointed by and on behalf of other directors (the proxy) to attend,
- (3) Agenda of the meeting,
- (4) Main points of directors' speeches,
- (5) Methods and results of voting on each resolution (the voting results should clearly contain the number of votes of consenting, objecting and abstaining)

Article 126

For resolutions to be passed at extraordinary meetings of the board of directors, if the board of directors has sent the proposals to be reviewed in writing (including by the way of fax and email) to all of the directors and ensure that the directors are able to fully express their opinions, the voting may be carried out by way of communication and resolutions may be made without convening a meeting of the board of directors. However, in order to make an effective resolution, the number of the directors who sign to consent shall reach the requirement as provided by Article 114 of these Articles of Association.

Article 127 The meetings of the board of directors shall be held at the residence of the Company in principle. Subject to resolutions of the board of directors, the meetings may be held in other places outside China.

Article 128 The reasonable fees for the directors to attend the meeting of the board of directors shall be borne by the Company, including inter-city travel expenses for the director traveling to the place of the meeting (if different) from his place, fees for business meal and accommodation during the meeting and local travel expenses etc.

CHAPTER 11: SECRETARY OF THE BOARD OF DIRECTORS

Article 129 The Company shall have one (1) secretary of the board of directors. The secretary shall be a senior officer of the Company and accountable to the board of directors.

Article 130 The secretary of the Company's board of directors shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board of directors. His/her primary responsibilities are as follows:

- (1) to be responsible for the communication and liaison between the Company, relevant parties, the stock exchange and other relevant securities supervision authorities to ensure the Company prepare and deliver reports and documents to competent authorities as required by the law;
- (2) to be responsible for the management of information disclosure of the Company; to urge the company to formulate and exercise the information disclosure rules and internal reporting rules for significant information; to urge the Company and relevant parties to discharge their duties of information disclosure; to submit the regular and temporary reports to the stock exchange in accordance with relevant regulations;
- (3) to coordinate the relationship between the Company and investors; to coordinate investors' visits; to answer the questions raised by investors; to provide the investors with the information disclosed by the Company;
- (4) to prepare shareholders' general meetings and meetings of the board of directors in accordance with legal procedure; to prepare and submit the documents and materials of the meeting;
- (5) to attend the meetings of the board of directors; to prepare the minutes and sign on it;

- (6) to be responsible for the confidentiality work relating to information disclosure; to formulate the measures on confidentiality; to urge the directors, supervisors, the President and other senior officers and relevant informed persons to keep the information confidential before it is disclosed; to adopt any remedial measures for release of insider information in time and report to stock exchange at the same time;
- (7) to be responsible to keep the shareholders' register, the directors' register, the documents stating that the directors, supervisors, President and other senior officer holding the shares of the Company, and the documents and minutes of the shareholders' general meeting, the meeting of the board of directors; to ensure that the Company has complete organization documents and records; to ensure that the persons who have the right to obtain relevant records and documents may access to them in time;
- (8) to assist the directors, supervisors, President and other senior officers in being informed of relevant laws, regulations, rules, listing rules of the stock exchange, other provisions and the Company's Articles of Association, as well as the content on legal liabilities of the listing agreement;
- (9) to urge the board of directors to discharge its duties in accordance with law; where the board of directors is going to make a resolution which is in violation of laws, regulations, rules, listing rules of the stock exchange, other provisions and the Company's Articles of Association, the secretary to the board of directors shall remind the directors attending the meeting and request the supervisors at presence to express their opinions; if the board of directors insists in making the resolution, the secretary to the board of directors shall record the opinions of relevant supervisors and persons in the minutes and report to the stock exchange;
- (10) other responsibilities stipulated in the laws, regulations, rules, listing rules of the stock exchange, other provisions and the Company's Articles of Association.

Article 131

A director or senior officers of the Company other than the President and chief accountant may also act as the secretary of the board of directors. Any accountant from the accountancy firm which has been appointed by the Company to act as its auditors shall not act as the secretary of the board of directors.

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

CHAPTER 12: PRESIDENT

Article 132 The Company shall have one President, several Vice Presidents to assist the President and one chief accountant. The President, Vice President and chief accountant shall be appointed or removed by the board of directors.

The terms of President and other senior officers are three (3) years and renewable upon re-appointed.

Article 133 The President shall be accountable to the board of directors and shall exercise the following functions and powers:

- (1) to be in charge of the Company's production, operation and management, and report to the board of directors;
- (2) to organize the implementation of the resolutions of the board of directors;
- (3) to organize the implementation of the Company's annual business plan, investment and financing plan;
- (4) to draft plans for the establishment of the Company's internal management structure;
- (5) to propose plans for the establishment of the Company's branches and sub-branches;
- (6) to propose the Company's basic management system;
- (7) to formulate detailed rules and regulations of the Company;
- (8) to propose the appointment or dismissal of the Company's Vice President and general accountant, and advise on their remunerations;
- (9) to appoint or dismiss management other than those appointed or dismissed by the Board, and decide on their assessments, remunerations, incentives and punishments;

(10) other functions and powers other than those must be exercised by shareholders' general meeting or board of directors in accordance with laws, administrative regulations, rules and these Articles of Association.

Article 134 The President shall attend meetings of the board of directors.

Article 135 Prior to formulating the issues relating to remuneration, welfare, safety production, labor insurance, removal (or dismissal) of employees and other issues related to the interest of the employees, the President shall consult the opinions of the labor union of the Company and the employees representatives meeting.

Article 136 The President should formulate his/her detailed working regulations, to be implemented upon approval by the board of directors.

Article 137 The President, when performing his/her functions and powers, shall act honestly and diligently and in accordance with laws, administrative regulations and these Articles of Association.

CHAPTER 13: THE BOARD OF SUPERVISORS

Article 138 The Company shall have a board of supervisors.

Article 139 The board of supervisors shall compose of three (3) supervisors. Each supervisor shall serve a term of three (3) years, which is renewable upon re-election.

One of the members of the board of supervisors shall act as the chairman. The election or removal of the chairman of the board of supervisors shall be determined by two-thirds or more of the members of the board of supervisors.

Article 140 Supervisors who are not employee representatives shall be elected or removed by the shareholders in general meetings. Supervisors who are employee representatives of the Company shall be elected or removed democratically, and shall be not less than one-third of the total number of supervisors.

Article 141 The director, President and other senior officer shall not act concurrently as a supervisor.

Article 142 Meetings of board of supervisors shall be convened at least twice a year and at least once every six (6) months. The chairman of the board of supervisors shall convene and preside over the meetings. The supervisors may propose to

convene an extraordinary meeting of the board of supervisors. If the chairman is unable or fails to perform his duties, a supervisor jointly selected by a majority of the supervisors shall convene and preside over the meetings.

Article 143

The board of supervisors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers in accordance with laws:

- (1) to examine the Company's financial affairs;
- (2) to supervise the directors and senior officers in their performance of duties and to propose the removal of directors and senior officers who have contravened any law, administrative regulations, these Articles of Association or shareholders' resolutions;
- (3) to demand any director, the President and other senior officer of the Company who acts in a manner which is harmful to the Company's interests to rectify such behavior;
- (4) to inspect financial information such as financial reports, business reports and profit distribution plans and, in case doubt, professionals such as registered accountants and certified auditors may be hired to provide assistance in the name of the Company;
- (5) to propose to convene a shareholders' extraordinary general meeting, and to convene and preside over shareholders' general meetings when the Board fails to perform the duty of convening and presiding over the general meeting;
- (6) to propose resolutions at a shareholders' general meeting;
- (7) to discuss with directors or senior officers of the Company on behalf of the Company, or to institute a suit to the directors or senior officers of the Company by laws;
- (8) to propose to convene an extraordinary meeting of the board of directors;
- (9) to elect the chairman of board of supervisors;
- (10) other functions and powers provided by these Articles of Association. Supervisors shall be present at meetings of the board of directors.

Article 144

Where there is a proper reason, a supervisor is entitled to request the chairman of the board of supervisors to convene an extraordinary meeting of the board of supervisors. The notice of each meeting of the board of supervisors shall be delivered by telephone or facsimile ten (10) days before the meeting. The notice shall include: date and place of the meeting, term of the meeting, subjects of the meeting and the date of the notice.

Meetings of the board of supervisors shall be held only if two-thirds or more supervisors are present. The meetings of the board of supervisors shall vote in registration. Each of the supervisors has one voting right. The supervisors shall attend the meetings of the board of supervisors in person. If any supervisor is unable to attend the meeting, he may appoint another supervisor to attend the meeting on his/her behalf in writing. The power of attorney shall include the scope of authorization.

Meeting of board of supervisors can be held by means of conference call or through any other similar communication equipment. When holding such a meeting, each attending supervisor shall be deemed to have attended such meeting in person, only if he is able to hear the other supervisors' and communicate with other supervisors.

Resolutions of either the ordinary meetings or extraordinary meetings of board of supervisors shall be passed by the affirmative votes of more than two-thirds (inclusive) of all supervisors

Article 145

The board of supervisors should prepare minutes of meeting. A supervisor is entitled to request the addition to the minutes of some explanatory record concerning his speech made during the meeting. Supervisors attending the meeting and the recorder should sign on the minutes. Minutes of the meeting of the board of supervisors, as a company file, must be kept for at least 10 years by the secretary to the board of directors.

Article 146

The performance of the resolution of the board of supervisors shall be recorded. For all resolutions of the board of supervisors, a supervisor shall be appointed to perform it or supervise its performance. The supervisor appointed shall record the performance of the resolution of the board of supervisors and report the result of the performance to the board of supervisors.

Article 147

The supervisors and the board of supervisors are not responsible for the liabilities of the board of directors. However, if the board of supervisors considers that a resolution of the board of directors violates any laws, regulations and these Articles of Association or damages the interest of the Company, it may make a resolution to propose the board of directors to review it again.

Article 148 All reasonable fees incurred in respect of the engagement of professionals (such as lawyers, certified accountants or practicing auditors) which are required by the board of supervisors in the exercise of its functions and powers shall be borne by the Company.

The reasonable fees for the supervisors to attend the meeting of the board of supervisors shall be borne by the Company, including inter-city travel expenses for the supervisor traveling to the place of the meeting (if different) from his place, fees for business meal and accommodation during the meeting, fees for the conference room and local travel expenses etc.

Article 149 A supervisor shall carry out his/her supervisory duties honestly and faithfully in accordance with laws, administrative regulations and these Articles of Association.

CHAPTER 14: THE QUALIFICATIONS AND DUTIES OF THE DIRECTORS, SUPERVISORS, PRESIDENT AND OTHER SENIOR OFFICERS OF THE COMPANY

Article 150 A person may not serve as a director, supervisor, President or any other senior officer of the Company if any of the following circumstances applies:

- (1) a person who does not have or who has limited capacity for civil conduct;
- (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 (5) years have lapsed since the sentence was served, or a person who has been deprived of his political rights and not more than five (5) years have lapsed since the sentence was served;
- (3) a person who is a former director or factory manager of a company or enterprise which has been dissolved or put into liquidation as a result of mismanagement and who was personally liable for the winding up of such company or enterprise, where less than three (3) years have elapsed since the date of 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 violation of law and who is personally liable therefor, where less than three (3) years have elapsed since the date of the revocation of the business license;

- (5) a person who has a relatively large amount of debts which have become overdue;
- (6) a person who is currently under investigation by judicial organs for violation of criminal law;
- (7) a person who, according to laws and administrative regulations, cannot act as a leader of an enterprise;
- (8) a person other than a natural person;
- (9) a person who has been convicted by the 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 (5) years have lapsed from the date of such conviction;
- (10) other circumstances provided by the laws and regulations of the stock exchange on which the shares of the Company are listed.

Any person who serves as an employee other than a director in the controlling shareholder, actual controller of the Company may not serve as a senior officer of the Company.

Article 151

The validity of an act carried out by a director, President and other senior officer of the Company on its behalf shall, as against a bona fide third party, not be affected by any irregularity in his/her office, election or any defect in his/her qualification.

Article 152

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, each of the Company's directors, supervisors, President and other senior officers owes the following duties to each shareholder when exercising the functions and powers of the Company entrusted to him:

- (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 (without limitation) usurpation of opportunities which benefit the Company;

- (4) not to expropriate the individual rights of shareholders, including (without limitation) rights to distribution and voting rights except for the restructuring of the Company which has been submitted to the shareholders for approval in accordance with these Articles of Association.

Article 153

Each of the Company's directors, supervisors, President and other senior officers owes a duty, in the exercise of his powers and in the discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Article 154

Each of the Company's directors, supervisors, President and other senior officers shall exercise his/her powers or perform his/her duties in accordance with the fiduciary principle; and shall not put himself/herself in a position where his/her duty and his/her interest may conflict. This principle includes (without limitation) discharging the following obligations:

- (1) to act honestly in the best interests of the Company;
- (2) to act within the scope of his/her powers and not to exceed such powers;
- (3) to exercise the discretion vested in him/her personally and not to allow himself/herself to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent of shareholders given in a general meeting, not to delegate the exercise of his/her discretion;
- (4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;
- (5) unless otherwise provided for in these Articles of Association or except with the informed consent of the shareholders given in a general meeting, not to enter into any contract, transaction or arrangement with the Company;
- (6) not to use the Company's property for his/her own benefit, without the informed consent of the shareholders given in a general meeting;
- (7) not to exploit his/her position to accept bribes or other illegal income or expropriate the Company's property in any way, including (without limitation) opportunities which benefit the Company;

- (8) not to accept commissions in connection with the Company's transactions, without the informed consent of the shareholders given in a general meeting;
- (9) to comply with the Company's Articles of Association, to perform his/her official duties faithfully, to protect the Company's interests and not to exploit his/her position and power in the Company to advance his/her own interests;
- (10) not to compete with the Company in any way, save with the informed consent of the shareholders given in a general meeting; not to damage the Company's interests by exploiting associated relationships;
- (11) not to misappropriate the Company's funds or lend such funds to any other person, not to use the Company's assets to set up deposit accounts in his/her own name or in the any other name or use such assets to guarantee the debts of a shareholder of the Company or any other personal liabilities; and
- (12) not to release any confidential information which he has obtained during his/her term of office, without the informed consent of the shareholders in a general meeting; nor shall he use such information other than for the Company's benefit, save that disclosure of such information to the court or other governmental authorities is permitted if:
 - (i) disclosure is made under compulsion of law;
 - (ii) public interests so warrant;
 - (iii) the interests of the relevant director, supervisor, President or other senior officer so require.

Article 155

Each director, supervisor, President and other senior officer of the Company shall not direct the following persons or institutions ("associates") to act in a manner which he is prohibited from so acting:

- (1) the spouse or minor child of the director, supervisor, President or other senior officer;
- (2) the trustee of the director, supervisor, President or other senior officer or of any person described in sub-paragraph (1) above;
- (3) the partner of the director, supervisor, President or other senior officer or any person referred to in sub-paragraphs (1) and (2) of this Article;

- (4) a company in which the director, supervisor, President or other senior officer, whether alone or jointly with the persons referred to in subparagraphs (1), (2) and (3) of this Article or other directors, supervisors, President and other senior officers, has de facto controlling interest; or
- (5) the directors, supervisors, President and other senior officers of a company which is being controlled in the manner set out in subparagraph (4) above.

Article 156

The fiduciary duties of the directors, supervisors, President and other senior officers of the Company do not necessarily cease with the termination of their tenure. The duty of confidentiality in respect of trade secrets of the Company survives the termination of their tenure. Other duties may continue for such period as the principle of fairness may require depending on the amount of time which has lapsed between the termination and the act concerned and the circumstances and the terms under which the relationship between the relevant director, supervisor, President and the senior officer on one hand and the Company on the other hand was terminated.

Article 157

Subject to Article 58, a director, supervisor, President and other senior officer of the Company may be relieved from liabilities for specific breaches of his duty with the informed consent of the shareholders given at a general meeting.

Article 158

Where a director, supervisor, President or other senior officer of the Company is in any way, directly or indirectly, materially interested in a contract, transaction, arrangement or proposed contract, transaction or arrangement with the Company (other than his contract of service with the Company), he/she shall declare the nature and extent of his/her interests to the board of directors at the earliest opportunity, whether or not the contract, transaction or arrangement or proposal therefor is otherwise subject to the approval of the board of directors.

A director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates (as defined in the applicable securities listing rules effective from time to time) has a material interest nor shall he be counted in the quorum present at the meeting.

Unless the interested director, supervisor, President or other senior officer discloses his interests in accordance with the preceding sub-paragraph of this Article and the contract, transaction or arrangement is approved by the board of directors at a meeting in which the interested director, supervisor, President or other senior officer is not counted as part of the quorum and refrains from

voting, a contract, transaction or arrangement in which that director, supervisor, President or other senior officer is materially interested is voidable at the discretion of the Company except as against a bona fide party thereto who does not have notice of the breach of duty by the interested director, supervisor, President or other senior officer.

For the purposes of this Article, a director, supervisor, President or other senior officer of the Company is deemed to be interested in a contract, transaction or arrangement in which his associate is interested.

Article 159

Where a director, supervisor, President or other senior officer of the Company gives to the board of directors a notice in writing stating that, by reason of the facts specified in the notice, he/she is interested in contracts, transactions or arrangements which may subsequently be made by the Company, that notice shall be deemed for the purposes of the preceding Article to be a sufficient declaration of his/her interests, so far as the content stated in such notice is concerned, provided that such notice shall have been 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.

Article 160

The Company shall not pay taxes for a director, supervisor, President or other senior officer in any manner.

Article 161

The Company shall not directly or indirectly make a loan to or provide any security for a director, supervisor, President or other senior officer of the Company or of the Company's holding company or any of their respective associates.

The foregoing prohibition shall not apply to the following circumstances:

- (1) the provision by the Company of a loan to or a security for its subsidiary;
- (2) the provision by the Company of a loan or a security or any other funds available to any of its directors, supervisors, President and other senior officers to meet expenditure incurred or to be incurred by him/her for the purposes of the Company or for the purpose of enabling him/her to perform his/her duties properly, in accordance with the terms of a service contract approved by the shareholders in a general meeting; or
- (3) if the ordinary business scope of the Company includes lending of money and providing security, the Company may make a loan to or provide a security to any of the relevant directors, supervisors, President and other senior officers or their respective associates on normal commercial terms.

Article 162 Any person who receives funds from a loan which has been made by the Company acting in breach of the preceding Article shall, irrespective of the terms of the loan, forthwith repay such funds.

Article 163 A security for the repayment of a loan which has been provided by the Company acting in breach of Article 161(1) shall not be enforceable against the Company, save in respect of the following circumstances:

- (1) the security was provided in connection with a loan which was made to an associate of any of the directors, supervisors, President and other senior officers of the Company or of the Company's holding company and the lender of such funds did not know of the relevant circumstances when providing the loan; or
- (2) the collateral which has been provided by the Company has already been lawfully disposed of by the lender to a bona fide purchaser.

Article 164 For the purposes of the foregoing provisions of this Chapter, a "security" includes an undertaking or property provided to secure the obligor's performance of his obligations.

Article 165 In addition to any rights and remedies provided by the laws and administrative regulations, where a director, supervisor, President and other senior officer of the Company breaches the duties which he/she owes to the Company, the Company has a right:

- (1) to demand such director, supervisor, President or other senior officer to compensate it for losses sustained by the Company as a result of such breach;
- (2) to rescind any contract or transaction which has been entered into between the Company and such director, supervisor, President or other senior officer, or between the Company and a third party (where such third party knows or should have known that such director, supervisor, President or other senior officer representing the Company has breached his duties owed to the Company);
- (3) to demand such director, supervisor, President or other senior officer to account for profits made as result of the breach of his/her duties;
- (4) to recover any monies which should have been received by the Company and which were received by such director, supervisor, President or other senior officer instead, including (without limitation) commissions;

- (5) to demand repayment of interest earned or which may have been earned by such director, supervisor, President or other senior officer on monies that should have been paid to the Company.

Article 166

The Company shall enter into contracts in writing with each director, supervisor and senior officer, which include the provisions at least as follows:

- (1) the directors, supervisors and senior officers make commitment to the Company that they will comply with the Company Law, Special Regulations, these Articles of Association, Hong Kong Codes on Takeovers and Mergers and Share Repurchases, Hong Kong Code on Share Repurchases and other rules formulated by the Stock Exchange and agree that the Company may enjoy the remedy as provided in these Articles of Association. The contracts and their positions may not be assigned;
- (2) the directors, supervisors and senior officers make commitment to the Company that they will comply with and perform their duties to the shareholders according to these Articles of Association; and
- (3) the arbitration provisions in Article 215 of these Articles of Association.

Article 167

The Company shall, with the prior approval of shareholders in a general meeting, enter into a contract in writing with a director or supervisor wherein his/her 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; and
- (4) payment by way of compensation for loss of office, or as consideration for or in connection with his/her 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 matters mentioned in this Article except pursuant to the contract mentioned above.

Article 168 The contract concerning the emoluments between the Company and its directors and supervisors should provide that in the event that the Company is acquired, the Company's directors and supervisors shall, subject to the prior approval of shareholders in a general meeting, have the right to receive compensation or other payment in respect of his/her loss of office or retirement.

For the purposes of this paragraph, the acquisition of the Company includes any of the following:

- (1) an offer made by any person to all the shareholders; or
- (2) an offer made by any person with a view to making the offer or become a "controlling shareholder" within the meaning of Article 59.

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 such offer. The expenses incurred in distributing such sum on a pro rata basis amongst such persons shall be borne by the relevant director or supervisor and shall not be paid out of such sum.

CHAPTER 15: FINANCIAL AND ACCOUNTING SYSTEMS AND PROFIT DISTRIBUTION

Article 169 The Company shall establish its financial and accounting systems in accordance with laws, administrative regulations and PRC accounting standards formulated by the finance regulatory department of the State Council.

Article 170 At the end of each fiscal year, the Company shall prepare a financial report which shall be examined and verified in a manner prescribed by law.

The fiscal year of the Company is in Gregorian calendar year which is from January 1 to December 31.

Article 171 The board of directors of the Company shall place before the shareholders at every annual general meeting such financial reports which the relevant laws, administrative regulations and regulatory documents promulgated by competent local governments and the governmental authorities in charge require the Company to prepare.

- Article 172** The Company's financial reports shall be made available for shareholders' inspection at the Company twenty (20) days before the date of every shareholders' annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.
- Article 173** A copy of financial report, accompanied by the balance sheet (including every document required by applicable law to be annexed thereto) and profit and loss account or income and expenditure account, or the summary financial report shall, at least 21 days before the date of the annual shareholders' general meeting, be delivered by postpaid mail to the registered address of every holder of Overseas-Listed Foreign Shares.
- Article 174** The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards, or that of the place outside the PRC where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the financial statements. In distributing its after-tax profits, the lower of the two amounts shown in the financial statements shall be adopted.
- Article 175** Any interim results or financial information published or disclosed by the Company must be prepared and presented in accordance with PRC accounting standards and regulations, and also in accordance with either international accounting standards or that of the place overseas where the Company's shares are listed.
- Article 176** The Company shall publish two financial reports each fiscal year, namely an interim financial report within 60 days after the end of the first six months of the fiscal year and an annual financial report within 120 days after the end of the fiscal year.
- Article 177** The Company shall not keep any other accounts other than those required by law. No company asset may be deposited into any individual's account.
- Article 178** Capital common reserve fund includes the following items:
- (1) premium on shares issued at a premium price;
 - (2) any other income designated for the capital common reserve fund prescribed by the finance regulatory department of the State Council.

Article 179

When the Company distributes its after-tax profits for a given year, they shall allocate ten per cent (10%) of profits to its statutory common reserve. The Company shall no longer be required to make allocations to its statutory common reserve once the aggregate amount of such reserve exceeds fifty per cent (50%) of its registered capital.

If the Company's statutory common reserve is insufficient to make up its losses of the previous years, such losses shall be made up from the profit for the current year the Company makes allocations to the statutory common reserve pursuant to the preceding paragraph.

The Company may, if so resolved by the shareholders' meeting, make allocations to the discretionary common reserve from after-tax profits after making allocations to the statutory common reserve from the after-tax profits.

The Company's after-tax profits remaining after it has made up its losses and made allocations to its common reserve shall be distributed in proportion to the shareholdings of its shareholders except for otherwise provided by these Articles of Association.

If the shareholders' meeting violates the preceding paragraph by distributing profits to shareholders before the Company has made up its losses and made allocations to the statutory common reserve, the profits distributed in violation of regulations must be returned to the Company by the shareholders.

The shares held by the Company shall not be entitled to profit distribution.

Article 180

The Company may distribute dividends in the form of (or in both forms):

- (1) cash;
- (2) shares;

The Company shall calculate and declare dividends and other amounts which are payable to holders of Domestic Shares in Renminbi, and shall pay such amounts in Renminbi within three (3) months following the announcement of dividends distribution. The Company shall calculate and declare dividends and other payments which are payable to holders of Overseas-Listed Foreign Shares in Renminbi, and shall pay such amounts in foreign currency within three (3) months following the announcement of dividends distribution. The exchange rate shall be the average closing rate for the relevant foreign currency announced by the People's Bank of China during the five (5) business days prior to the announcement of payment of dividend and other amounts. The Company shall pay the foreign currency to holders of Foreign Shares in

accordance with the relevant foreign exchange control regulations of the PRC. The dividends distribution shall be implemented by the board of directors as authorized by ordinary resolution of shareholders' general meeting.

Article 181

Amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.

Article 182

The Company shall appoint receiving agents for holders of the Overseas-Listed Foreign Shares. Such receiving agents shall receive dividends which have been declared by the Company and all other amounts which the Company should pay to holders of Overseas-Listed Foreign Shares on such shareholders' behalf.

The receiving agents 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 regulations of the stock exchange.

The receiving agent appointed for holders of Overseas-Listed Foreign Shares listed in Hong Kong shall each be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

Subject to compliance with the relevant laws and administrative regulations of the PRC and rules of Stock Exchange, the Company may exercise its right to confiscate the dividends which are not claimed by anyone but such right can only be exercised after the expiry of the relevant time frame.

The Company may take power to cease sending dividend warrants to a holder of Overseas-Listed Foreign Shares by post if such warrants have been left uncashed on two consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered.

Where power is taken to issue share warrants to bearer, no new share warrant shall be issued to replace one that has been lost, unless the Company is satisfied beyond reasonable doubt that the original has been destroyed.

The Company shall not exercise the power to sell the Overseas-Listed Foreign Shares of a holder who is untraceable in a proper way decided by the board of directors unless:

- (1) during a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and

- (2) on expiry of the 12 years the Company gives notice of its intention to sell the shares by way of an advertisement published in the one or more newspapers and notifies the stock exchange where the shares are listed of such intention.

CHAPTER 16: APPOINTMENT OF AUDITORS

Article 183 The Company shall appoint an independent firm of accountants which is qualified under the relevant regulations of the PRC to audit the Company's annual report and review the Company's other financial reports.

Article 184 The auditors appointed by the Company shall hold office from the conclusion of the annual general meeting of shareholders at which they were appointed until the conclusion of the next annual general meeting of shareholders.

Article 185 The auditors appointed by the Company shall have the following rights:

- (1) the right to review to the books, records and vouchers of the Company at any time and the right to require the directors, President and other senior officers of the Company to supply relevant information and make explanations;
- (2) the right to require the Company to take all reasonable steps to obtain from its subsidiaries such information and explanation as are necessary for the discharge of its duties;
- (3) the right to attend shareholders' general meetings and to receive all notices of, and other information relating to, any shareholders' general meeting which any shareholder is entitled to receive, and to speak at any shareholders' general meeting in relation to matters concerning its role as the Company's accountancy firm.

Article 186 If there is a vacancy in the position of auditor of the Company, the board of directors may appoint an accountancy firm to fill such vacancy before the convening of the shareholders' general meeting. Any other accountancy firm which has been appointed by the Company may continue to act during the period during which a vacancy arises.

Article 187 The shareholders in a general meeting may by ordinary resolution remove the Company's auditors before the expiration of its term of office, irrespective of the provisions in the contract between the Company and the Company's auditors. However, the accountancy firm's right to claim for damages which arise from its removal shall not be affected thereby.

Article 188

The remuneration of an accountancy firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in a general meeting. The remuneration of an accountancy firm appointed by the board of directors shall be determined by the board of directors.

Article 189

The Company's appointment, removal or non-reappointment of an accountancy firm shall be resolved by the shareholders in a general meeting. Such resolution shall be filed with the securities authority of the State Council.

Where a resolution at a general meeting of shareholders is passed to appoint as auditor a person other than an incumbent auditor, to fill a casual vacancy in the office of auditor, to reappoint as auditor a retiring auditor who was appointed by the board of directors to fill a casual vacancy or to remove an auditor before the expiration of his 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 firm proposed to be appointed or proposing to leave its post or the firm which has left its post in the relevant fiscal year (leaving includes leaving by removal, resignation and retirement).
- (2) If the auditor leaving its post makes representations in writing and requests the Company to give the shareholders notice of such representations, the Company shall (unless the representations have been received too late) take the following measures:
 - (a) in any notice regarding the adoption of resolutions given to shareholders, state the fact of the representations having been made; and
 - (b) 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 auditor's representations in the manner set out in sub-paragraph (2) above, such auditor may (in addition to his right to be heard) require that the representations be read out at the meeting.
- (4) An auditor which is leaving its post shall be entitled to attend the following shareholders' general meetings:
 - (a) the general meeting at which its term of office would otherwise have expired;

(b) the general meeting at which it is proposed to fill the vacancy caused by its removal; and

(c) the general meeting which convened as a result of its resignation,

and to receive all notices of, and other information relating to, any such meeting, and to speak at any such meeting which it attends the matters that concern it as former auditor of the Company.

Article 190

Prior notice should be given to the accountancy firm if the Company decides to remove such accountancy firm or not to renew the appointment thereof. Such accountancy firm shall be entitled to make representations at the shareholders' general meeting. Where the accountancy firm resigns from its position as the Company's auditor, it shall make clear to the shareholders in a general meeting whether there has been any impropriety on the part of the Company.

(1) An accountancy firm may resign its office by depositing at the Company's legal address a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall contain the following statements:

(a) 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

(b) a statement of any such circumstances.

(2) Where a notice is deposited under the preceding sub-paragraph (1), the Company shall within fourteen (14) days send a copy of the notice to the relevant governing authority. If the notice contains a statement under the preceding sub-paragraph (1)(b), a copy of such statement shall be placed at the Company for shareholders' inspection. The Company should also send a copy of such statement by prepaid mail to every shareholder of Overseas-Listed Foreign Shares at the address registered in the register of shareholders.

(3) Where the auditor's notice of resignation contains a statement in respect of the preceding sub-paragraph (1)(b), it may require the board of directors to convene a shareholders' extraordinary general meeting for the purpose of receiving an explanation of the circumstances connected with its resignations.

CHAPTER 17: INSURANCE

Article 191 The various types of insurance of the Company's insurance shall be decided at a meeting of the board of directors in accordance with the relevant insurance law in China.

Article 192 The Company shall set up a system to purchase liability insurance for the directors, supervisors, President and other senior officers.

CHAPTER 18: LABOUR AND PERSONNEL MANAGEMENT SYSTEMS

Article 193 The Company shall implement labor contract system. The Company may at its discretion employ and dismiss employees based on the business development needs of the Company and in accordance with the requirements of the laws and administrative regulations of the PRC.

Article 194 The Company may formulate its labor and payroll systems and payment methods in accordance with the relevant laws and regulations of the PRC, the Company's Articles of Association and the economical benefits of the Company.

Article 195 The Company shall endeavor to improve its employee benefits and to continually improve the working environment and living standards of its employees.

Article 196 The Company shall participate in retirement, medical, unemployment, work-related injury and other insurance for its employees in accordance with the relevant laws and regulations of the PRC.

CHAPTER 19: TRADE UNIONS

Article 197 The Company's employees may form trade unions, carry on trade union activities and protect their legal rights. The Company shall provide the necessary conditions for such activities.

CHAPTER 20: MERGER AND DIVISION OF THE COMPANY

Article 198 In the event of the merger or division of the Company, a plan shall be presented by the Company's board of directors and shall be approved in accordance with the procedures stipulated in the Company's Articles of Association. The Company shall then go through the relevant approval process. 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 to

acquire his shareholding at a fair price. The contents of the resolution of merger or division of the Company shall constitute special documents which shall be available for inspection by the shareholders of the Company.

Such special documents shall be sent by mail to holders of Overseas-Listed Foreign Shares.

Article 199

The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days commencing from the date of the Company's merger resolution and shall publish a public notice in a newspaper within thirty (30) days commencing from the date of the Company's merger resolution. Creditors may, within a period of thirty (30) days commencing from the date of receipt of the written notification, or within a period of forty-five (45) days commencing from the date of the announcement for those who do not receive written notification, claim full repayment or require a corresponding security from the Company.

At the time of merger, rights and indebtedness of each of the merged parties shall be assumed by the company which survives the merger or the newly established company.

Article 200

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

In the event of division of the Company, the parties to such division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days commencing from the date of the Company's division resolution and shall publish a public notice in a newspaper recognized by the stock exchange where the shares of the Company are listed within thirty (30) days commencing from the date of the Company's division resolution.

The liability for the debts before the Company is divided shall be borne by the companies surviving the division, unless the Company and its creditors have entered into a written agreement on payment of debts prior to the division and the agreement stipules otherwise.

Article 201 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. Where the Company is dissolved, the Company shall apply for cancellation of its registration in accordance with law. Where a new company is established, the Company shall apply for registration thereof in accordance with law.

CHAPTER 21: DISSOLUTION AND LIQUIDATION

Article 202 The Company shall be dissolved and liquidated upon the occurrence of any of the following events:

- (1) a resolution for dissolution is passed by shareholders at a general meeting;
- (2) dissolution is necessary due to a merger or division of the Company;
- (3) the Company is declared bankrupt according to law because it is unable to pay its debts payable;
- (4) its business licence has been revoked, or it is ordered to close down or is dissolved according to law;
- (5) other circumstances when the Company should be dissolved in accordance with laws and administrative regulations.

Article 203 Where the Company is to be dissolved pursuant to Item (1) of the preceding Article, a liquidation committee shall be set up within 15 days. The members of such liquidation committee shall be determined by the shareholders' general meeting by way of an ordinary resolution.

Where the Company is to be dissolved pursuant to Item (3) of the preceding Article, the people's court shall, in accordance with relevant laws, arrange for the shareholders, relevant authorities and relevant professionals to set up a liquidation committee to carry out liquidation.

Where the Company is to be dissolved pursuant to Item (4) of the preceding Article, the relevant authorities in charge shall arrange for the shareholders, relevant authorities and relevant professionals to set up a liquidation committee to carry out liquidation.

Article 204 Where the board of directors proposes to liquidate the Company for any reason other than the Company's declaration of its own insolvency, the board shall include a statement in its notice convening a shareholders' general meeting

stating 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 (12) months from the commencement of the liquidation.

Upon the passing of the resolution by the shareholders in a general meeting for the liquidation of the Company, all functions and powers of the board of directors shall cease immediately.

The liquidation committee shall act in accordance with the instructions of the shareholders' general meeting to make a report at least once every year to the shareholders' general meeting on the committee's income and expenses, the business of the Company and the progress of the liquidation; and to present a final report to the shareholders' general meeting on completion of the liquidation.

Article 205

The liquidation committee shall, within ten (10) days of its establishment, send notices to creditors and shall, within sixty (60) days of its establishment, publish a public announcement in a newspaper. A creditor shall, within thirty (30) days of receipt of the notice, or for creditors who have not personally received such notice, within forty-five (45) days of the date of the public announcement, report its rights to the liquidation committee. The liquidation committee shall register the creditor's rights in accordance with the law. During the creditor-reporting period, the liquidation committee shall not pay any debts to any creditor.

Article 206

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

- (1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;
- (2) to notify the creditors or to publish public announcements;
- (3) to dispose of and liquidate any unfinished businesses of the Company;
- (4) to pay all outstanding taxes as well as taxes arising in the course of liquidation;
- (5) to settle claims and debts;

- (6) to deal with the surplus assets remaining after the Company's debts have been repaid;
- (7) to represent the Company in any civil proceedings.

Article 207

After it has sorted out the Company's assets and has prepared the balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and present it to a shareholders' general meeting or to the relevant governmental authority for confirmation.

After the resolution on liquidation is made by the shareholders' general meeting or the Company is declared to be bankrupt according to law or ordered to be closed, nobody may dispose the assets of the company without approval of the liquidation committee.

The assets of the Company shall be paid in accordance with following order: the liquidation charges, staff salary, social insurance, legally prescribed compensation, outstanding tax and company debts, in proportion to the shares held by shareholders.

The shareholders may allocate the remaining assets of the company, after paying the expenses provided at proceeding paragraph, in accordance with the class and proportion of the shares held by the shareholders.

During the liquidation period, the company continues to exist, but it may not commence operational activities not related to the liquidation.

Article 208

If the Company is liquidated for dissolution, after the liquidation committee clears up the company assets, and prepares the balance sheets and the inventory of assets, if it discovers that the company assets is not enough to pay off the debts, it should apply to the People's Court to declare bankruptcy according to the law immediately.

After the People's Court declares the company bankrupt, the liquidation committee should transfer the liquidation to the People's Court.

Article 209

After the completion of liquidation, the liquidation committee should prepare a liquidation report, a revenue and expenditure statement and financial account books in respect of the liquidation period and, after verified thereof by an accountant registered in China, submit the same to the shareholders' general meeting or the relevant authorities in charge for confirmation.

Within thirty (30) days from the date of confirmation by the shareholders' general meeting or the relevant authorities in charge, the liquidation committee shall submit the above-mentioned documents to the company registration authority to apply for cancellation of the Company's registration and issue an announcement on the Company's termination.

CHAPTER 22: PROCEDURES FOR AMENDMENT OF THE COMPANY'S ARTICLES OF ASSOCIATION

Article 210 The Company may amend its Articles of Association in accordance with the requirements of laws, administrative regulations and the Company's Articles of Association.

Article 211 Amendment of the Company's Articles of Association which involves the content of the Mandatory Provisions shall become effective upon receipt of approvals from the companies approving department authorized by the State Council and the securities authority of the State Council. If there is any change relating to the registered particulars of the Company, application shall be made for change in registration in accordance with law.

CHAPTER 23: NOTICE

Article 212 Unless otherwise provided in these Articles of Association, the notice delivered to the Overseas-Listed Foreign Shareholders, if delivered by public announcement, the Company shall submit an electronic version which may be published immediately to Stock Exchange through the electronic upload system to publish it on the website of Hong Kong Exchange. The announcement shall be published on the Company's website at the same time. In addition, the Company shall deliver the notice to each of the Overseas-Listed Foreign Shareholders in person or by postpaid mails according to their registered address, to facilitate that the shareholders are fully informed and have sufficient time to exercise their rights or act in accordance with the notice.

The Overseas-Listed Foreign Shareholders may choose to receive the information from the Company in electronic way or by post, in Chinese version or English version or both. The Overseas-Listed Foreign Shareholders may also notify the company at a reasonable time in advance to change the way to receive the above-mentioned information and in which language.

Article 213 If a notice is delivered by post, it is only necessary to write down the address, prepay the post and put the notice into the envelope. The notice is deemed to be delivered when it is put into the mailbox and served in 48 hours afterwards.

The notice to the Domestic Shareholders should be announced on one or more newspapers designated by the state securities authorities and the Company's website. The notice is deemed to be served on all of the Domestic Shareholders upon publish of the announcement.

Article 214

Notwithstanding the preceding article specifies that the Company shall provide with and/or deliver the Company information in writing to the shareholders, as regard to the way to provide with and/or deliver the Company information to shareholders, if the Company has obtained the shareholders' written or implied consent in advance in accordance with relevant laws and regulations and listing rules of Hong Kong as amended from time to time, the Company may deliver or provide with the Company information for the shareholders of the Company by electronic way or by way of announcement on the Company's website. The Company information include but not limited to: circular letter, annual report, mid-term report, quarterly report, notice of shareholders' general meeting and other types of Company information provided by the listing rules of Hong Kong.

CHAPTER 24: DISPUTE RESOLUTION

Article 215

The Company shall abide by the following principles for dispute resolution:

- (1) Whenever any disputes or claims arise between: (i) the Company and its directors or senior officers; and (ii) 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 arising from this contract, these Articles of Association, the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.

Where a dispute or claim of rights referred to in the preceding paragraph is referred to arbitration, the entire claim 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 or whose participation is necessary for the resolution of such dispute or claim, shall, where such person is the Company, the Company's shareholders, directors, supervisors, President or other senior officers of the Company, comply with the arbitration.

Disputes in respect of the definition of shareholders and disputes in relation to the register of shareholders do not have to be resolved through arbitration.

- (2) The party seeking arbitration may elect to have the dispute or claim arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must proceed with the arbitral body selected by the party seeking the arbitration.

If the party seeking arbitration elects to arbitrate the dispute or claim at Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Centre.

- (3) If any disputes or claims of rights are settled by way of arbitration in accordance with sub-paragraph (1) of this Article, the laws of the PRC shall apply, save as otherwise provided in the laws and administrative regulations.
- (4) The award of the arbitral body is final and shall be binding on the parties thereto.
- (5) This agreement to arbitrate is made by the company on its own behalf and on behalf of each shareholder.
- (6) Any reference to arbitration shall be deemed to authorize the arbitral tribunal to conduct hearing in open session and to publish its award.

CHAPTER 25: SUPPLEMENTARY

Article 216

Unless otherwise specified in these Articles of Association, such terms as “no less than”, “within”, “no more than” as mentioned herein shall include in the amount the figures listed; such terms as “more than” or “beyond” shall not include the figures listed.

Article 217

The term “other senior officers” referred to herein mean the president, Vice President, CFO and secretary to the board of directors and other officers employed by the board of directors. The “President”, “Vice President”, “CFO”

referred to herein shall have same meanings with the “manager”, “vice manager” and “the person in charge of finance” specified in the Company Law.

Article 218 In the Company’s Articles of Association, references to “accountancy firm” shall have the same meaning as “auditor”.

Article 219 The Articles of Association shall be written in Chinese. Where the versions written in other languages or other versions have different interpretations, the latest verified Chinese version registered in the company registration authority shall prevail. Where the versions written in other languages have different interpretations, the Chinese version shall prevail.

The Articles of Association shall be interpreted by the board of directors of the Company. Any matters unspecified in these Articles of Association shall be decided by resolutions of the shareholders’ general meetings proposed by the board of directors.