中信建投証券股份有限公司
CSC FINANCIAL CO., LTD.

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

(Stock Code: 6066)

ARTICLES OF ASSOCIATION

The English version is for reference only. Should there be any inconsistency between the English and Chinese versions, the latter shall prevail.

(Passed at the 2025 fourth extraordinary general meeting of the Company on November 21, 2025)

CONTENT

CHAPTER 1 GENERAL 1

CHAPTER 2 OPERATIONAL OBJECTIVE AND SCOPE 3

CHAPTER 3 SHARES 4

Section 1 Issuance of Shares 4

Section 2 Increase, Decrease and Buy-back of Shares 6

Section 3 Transfer of Shares. 8

Section 4 Share Certificates and Register of Shareholders 9

CHAPTER 4 CONSTITUTION OF THE PARTY 10

CHAPTER 5 SHAREHOLDERS AND THE GENERAL MEETINGS . . 11

Section 1 Shareholders 11

Section 2 General Provisions for General Meetings 19

Section 3 Convening of General Meetings 22

Section 4 Proposals and Notices of General Meetings 24

Section 5 Holding of General Meetings 27

Section 6 Voting and Resolutions at General Meetings 30

CHAPTER 6 BOARD OF DIRECTORS. 35

Section 1 Directors. 35

Section 2 Independent Directors. 40

Section 3 Board of Directors 46

Section 4 Special Committees under the Board 52

Section 5 Secretary of the Board 56

CHAPTER 7 BUSINESS MANAGEMENT ORGANIZATION OF THE COMPANY 57

Section 1 Executive Committee 57

Section 2 Senior Management 58

Section 3 Chief Compliance Officer. 61

CHAPTER 8 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS AND SENIOR MANAGEMENT MEMBERS OF THE COMPANY . . 64

CHAPTER 9 INTERNAL CONTROL 69

CHAPTER 10 FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT OF THE COMPANY 70

Section 1 Financial Accounting System 70

Section 2 Internal Audit 76

Section 3 Appointment of an Accounting Firm. 77

CHAPTER 11 NOTICE AND ANNOUNCEMENT 78

CHAPTER 12 MERGER, DIVISION, INCREASE AND DECREASE OF CAPITAL, DISSOLUTION AND LIQUIDATION 79

Section 1 Merger, Division, Increase and Decrease of Capital 79

Section 2 Dissolution and Liquidation 81

CHAPTER 13 AMENDMENTS TO THESE ARTICLES OF ASSOCIATION 84

CHAPTER 14 MISCELLANEOUS 85

CHAPTER 1 GENERAL

Article 1 In order to safeguard the legitimate interests of CSC Financial Co., Ltd. (hereinafter referred to as the Company), its shareholders, employees and creditors, and regulate the organization and conduct of the Company, these Articles of Association are hereby formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the Company Law), the Securities Law of the People's Republic of China (hereinafter referred to as the Securities Law), the Regulations on Supervision and Management of Securities Companies, the Rules on Governance of Securities Companies, Code of Corporate Governance for Listed Companies, the Guidelines on Articles of Association of Listed Companies, the Measures for the Administration of Independent Directors of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Rules Governing the Listing of Stock on the Shanghai Stock Exchange (hereinafter together with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited collectively referred to as the Listing Rules of the Place where the Company's Shares are Listed) and other laws, administrative regulations, departmental rules, normative documents and requirements of the relevant regulatory authorities.

Article 2 The Company is a joint stock limited company established in accordance with the Company Law, the Securities Law and other relevant laws and administrative regulations of the PRC.

Article 3 Approved by the Reply on Approval of the Conversion of China Securities Finance Limited into a Joint Stock Limited Company (Zhengjian Xuke [2011] No. 1037), issued by the China Securities Regulatory Commission (hereinafter referred to as the CSRC), with all shareholders of the original China Securities Finance Limited as the promoters, through the overall conversion of audited book net assets of the original China Securities Finance Limited as at December 31, 2010 into the shares of the Company, the Company is established and registered in Beijing Administration for Industry and Commerce on September 28, 2011, with the Business License (creditability code: 91110000781703453H) granted.

The promoters of the Company are Beijing State-owned Capital Operation and Management Center, Central Huijin Investment Limited, Century Jinyuan Investment Group Limited, CITIC Securities Co., Ltd.

Article 4 Chinese name of the Company: 中信建投証券股份有限公司

English names of the Company: China Securities Co., Ltd. and CSC Financial Co., Ltd. (carrying on business in Hong Kong with such registered English names)

Address of the Company: Unit 4, No. 66 Anli Road, Chaoyang District, Beijing

Postal code: 100101

Article 5 The Company is a joint stock limited company in perpetual existence.

Article 6 The Chairman of the Board of Directors is a director who executes corporate affairs on behalf of the Company, and the legal representative of the Company. If the Chairman of the Board of Directors who serves as the legal representative resigns, he/she shall be deemed to have resigned as the legal representative at the same time. The Company shall appoint a new legal representative within thirty days from the date of resignation of the legal representative.

Article 7 Where the legal representative engages in civil activities in the name of the Company, the legal consequences thereof shall be borne by the Company.

The restrictions on the functions and powers of the legal representative as stipulated in these Articles of Association or by the general meeting shall not be pleaded against bona fide counterparties.

If the legal representative causes damage to others in the performance of his/her duties, the Company shall bear civil liabilities. After assuming civil liabilities, the Company may seek compensation from the legal representative at fault in accordance with the laws or these Articles of Association.

Article 8 Each shareholder shall be liable to the extent of the shares subscribed. The Company is liable for its debts to the extent of all of its property.

Article 9 The Company shall establish an organization of Communist Party of China (the "Party") in accordance with the relevant regulations of the Constitution of the Communist Party of China, the Company Law of China and the Working Rules of Primary-level Party Organizations of State-owned Enterprises (for trial implementation), reinforce and strengthen the comprehensive leadership of the Party and give full play to the role of the Party Committee as the leader, setting the direction, managing the overall situation and ensuring implementation. The Company shall establish the Party's working organizations, deploy sufficient staff to deal with Party affairs and guarantee sufficient operating expenses of Party organizations.

Article 10 These Articles of Association shall take effect from the date of approval through a resolution at the general meeting of the Company. The previous Articles of Association shall lapse automatically once these Articles of Association take effect. When these Articles of Association come into effect, these Articles of Association shall be legally binding on the Company's organization and conduct, the rights and obligations between the Company and the shareholders, and amongst the shareholders themselves as well as the Company, its shareholders, Directors and senior management members, with such personnel being entitled to claim for rights on matters relating to the Company in accordance with these Articles of Association.

Pursuant to these Articles of Association, a shareholder may claim against the other shareholders, and the shareholders may claim against the Company's Directors and senior management members. The shareholders may claim against the Company. The Company may claim against its shareholders, Directors and senior management members.

For the purposes of the preceding paragraph, the term "claim" shall include the initiation of proceedings in a court or application to an arbitration institution for arbitration.

Article 11 The senior management members referred to in these Article of Association include the General Manager, the chief financial officer, the chief compliance officer, the chief risk officer, the secretary of the Board, the chief information officer, the members of the Executive Committee and such other personnel confirmed by the regulatory body or resolved and confirmed by the Board to hold important positions.

Article 12 Within the scope specified in laws and regulations, the Company may invest in other institutions including limited liability companies and joint stock limited companies, and assume liabilities to the extent of its capital contribution. The Company shall not be any unlimited liability shareholder of any profit-making organization.

In light of the needs of business development and with the approval of the Securities Regulatory Authorities of the State (hereinafter referred to as the Securities Regulatory Authorities) and other governmental departments, the Company may set up branches, subsidiaries and representative offices at home and abroad.

When the Company sets up branches and subsidiaries, it shall apply for registration to the company registration authorities and obtain the business licenses.

The Company may invest in and set up subsidiaries to carry out direct investment business in compliance with laws, administrative regulations and the requirements of the Securities Regulatory Authorities. The Company may invest in and set up alternative subsidiaries to develop alternative investment businesses such as financial products and equity in compliance with laws, regulations and regulatory requirements.

CHAPTER 2 OPERATIONAL OBJECTIVE AND SCOPE

Article 13 The operational objective of the Company is to actively fulfill its social responsibilities, effectively protect the legitimate interests of investors, reasonably balance the interests of stakeholders, and consciously pay taxes in accordance with the law and in good faith, by serving the real economy and national strategy based on finance business as the direction, practicing the industrial culture of "compliance, honesty, professionalism and robustness" as the guarantee, insisting on the steady and sustainable development so that the Company maintains a high-quality development, and becomes a large integrated international and modernized securities enterprise, in accordance with the laws and regulations of the State and the financial and securities policies and adhering to the development concept of "innovation, coordination, green, openness and sharing".

In the process of operation, the Company insists on customer-centric, pragmatic, simple and efficient style, consciously and honestly pays taxes in accordance with the law, actively fulfills its social responsibility, protects the legitimate rights and interests of investors and reasonably balances the interests of stakeholders.

Article 14 As registered in accordance with the laws, the business scope of the Company includes: securities business; settlement and sales of foreign exchange; foreign exchange business; securities investment consultation; securities investment fund custodian; public securities investment fund sales; provision of intermediary business to futures companies as a securities company; sale of gold and silver products. (Subject to approval by regulatory authorities.)

CHAPTER 3 SHARES

Section 1 Issuance of Shares

Article 15 The shares of the Company shall be issued in the form of share certificates. The Company shall issue ordinary shares. The Company may issue other classes of shares when needed according to the requirements of relevant laws and administrative regulations.

Article 16 The Company shall issue shares in an open, fair and just manner, and each share of the same class has the same right.

All shares of the same class issued at the same time are issued under the same conditions and at the same price; the same price is paid for each share subscribed for by subscribers.

Article 17 All the shares issued by the Company shall have a nominal value, with each share having a par value of RMB1.

Article 18 With the registration or filing with the Securities Regulatory Authorities or other relevant regulatory authorities, the Company may issue its shares to domestic and foreign investors.

The term "foreign investors" mentioned in the preceding paragraph refers to foreign, Hong Kong Special Administrative Region of the PRC (hereinafter referred to as Hong Kong), Macao Special Administrative Region or Taiwan investors who subscribe for shares issued by the Company. The term "domestic investors" refers to the investors within the territory of the PRC (other than the above-mentioned regions) who subscribe for the shares issued by the Company.

Article 19 Shares issued by the Company to domestic investors and other qualified investors for subscription in RMB are referred to as Domestic Shares. The Domestic Shares which are listed on domestic stock exchange shall be referred to as A Shares. Shares issued by the Company for foreign investors and other qualified investors to subscribe in foreign currency are referred to as foreign shares. The foreign shares, which are listed on an overseas stock exchange, shall be referred to as "overseas listed foreign shares". Holders of Domestic Shares and overseas listed foreign shares have equal rights in any distribution by way of dividend or otherwise.

The foreign shares issued by the Company which are listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the Hong Kong Stock Exchange) shall be H Shares. H Shares are the RMB-denominated shares approved to be listed by the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars.

Foreign currencies mentioned in the preceding paragraph refer to legal tenders of other countries or regions other than RMB that are recognized by the competent authorities of the State Administration of Foreign Exchange for contribution of share capital to the Company.

Article 20 With the approval of the competent authorities, the Company was approved to issue a total of 6,100,000,000 ordinary shares with a par value of RMB1 each upon its establishment to the promoters, representing one hundred per cent of the then total issued ordinary shares of the Company. The promoters of the Company contributed capital in 2011, and subscribed the shares of the Company through conversion of net assets into shares based on the corresponding shareholdings of former China Securities Finance Co., Limited held by them upon the establishment of the Company. Each promoter and its amount of contribution, number of shares subscribed and percentages of shareholding are set out as below:

Names of promoters	Amount of contribution (RMB)	Number of Shares	Percentage of Shareholding
Beijing State-owned Capital Operation and Management Center	2,745,000,000	2,745,000,000	45%
Central Huijin Investment Limited	2,440,000,000	2,440,000,000	40%
Century Jinyuan Investment Group Limited	488,000,000	488,000,000	8%
CITIC Securities Co., Ltd.	427,000,000	427,000,000	7%
Total	6,100,000,000	6,100,000,000	100%

Article 21 The total number of issued shares of the Company is 7,756,694,797 shares. The share capital is comprised of 7,756,694,797 ordinary shares, including 6,495,671,035 shares held by holders of ordinary shares in RMB (A Shares) and 1,261,023,762 shares held by holders of overseas listed foreign shares (H Shares).

The Company was listed on the main board of the Hong Kong Stock Exchange on December 9, 2016, and the overseas listed foreign shares (H shares) after the initial public offering were 1,261,023,762.

The Company was approved by the CSRC for the initial public offering of 400,000,000 ordinary shares in RMB (A Shares) on May 18, 2018 and the listing on the Main Board of the Shanghai Stock Exchange on June 20, 2018.

The Company was approved by the CSRC for the non-public offering of 110,309,559 ordinary shares in RMB (A Shares) on February 28, 2020 and completed the share registration in the Shanghai branch of China Securities Depository and Clearing Co., Ltd. on December 28, 2020.

Article 22 Domestic shares issued by the Company are deposited under the centralized custody of the securities depository institution that meets relevant requirements. The H Shares of the Company are mainly deposited under the custody of entrusted Hong Kong securities clearing companies and such shares may also be held under the personal names of shareholders.

Article 23 The registered capital of the Company is RMB7,756,694,797.

Article 24 The Company or its subsidiaries (including affiliated companies of the Company) shall not provide financial assistance to others in the form of gifts, advances, guarantees, borrowings or in other forms for the purpose of acquiring shares of the Company or its parents unless otherwise provided by any employee stock ownership plan as implemented by the Company and laws and regulations.

For the interests of the Company, as resolved by the general meeting, or as resolved by the Board of Directors in accordance with these Articles of Association or the authorization of the general meeting, the Company may provide financial assistance to others for the purpose of acquiring shares of the Company or its parents, provided that the cumulative total amount of the financial assistance shall not exceed ten per cent of the total issued share capital. Any such resolution made by the Board of Directors shall be approved by more than two-thirds of all Directors.

In the event of any violation against the provisions of the preceding two paragraphs, thereby causing any loss to the Company, the accountable Directors and senior management members shall be liable for compensation.

Where the Company or its subsidiaries (including affiliated companies of the Company) engage in any act described in this Article, it/they shall comply with laws, administrative regulations, and the requirements of the CSRC and the stock exchange.

Section 2 Increase, Decrease and Buy-back of Shares

Article 25 The Company may, based on its business and development needs and in accordance with the laws, administrative regulations, normative documents, departmental rules and requirements of the relevant listing rules of the places where the shares of the Company are listed, increase its capital in the following manners upon resolutions being adopted by the general meetings:

(1) by offering of shares to the public;
(2) by offering of shares to specific investors;
(3) by distributing bonus shares to its existing shareholders;
(4) by capitalizing its capital common reserve;
(5) by other means permitted by the law, administrative regulations or the requirements of the CSRC.

The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated in the relevant laws, administrative regulations, departmental rules, normative documents in the PRC and the requirements of the listing rules of the places where the shares of the Company are listed.

Article 26 The Company may reduce its registered capital. The Company may reduce its registered capital in accordance with the procedures provided in the Company Law and other relevant requirements and the Articles of Association.

Article 27 In principle, the Company shall not repurchase its shares unless in any of the following circumstances:

(1) reducing the Company's registered capital;
(2) merging with companies which hold shares in the Company;
(3) utilizing shares for employee stock ownership plan or share incentive scheme;
(4) acquiring shares held by shareholders, who vote against any resolution proposed in any general meeting on the merger or division of the Company, upon their request;
(5) utilizing shares for conversion of corporate bonds issued by the Company which are convertible into shares;
(6) where it is necessary to maintain the Company's value and shareholders' interests;
(7) other circumstances permitted by the law, administrative regulations, departmental rules, normative documents, the listing rules of the places where the shares of the Company are listed and other relevant regulations.

Article 28 The Company may acquire its shares through public centralized trading or by other means as permitted by laws and regulations and relevant regulatory authorities.

When the Company buys back its shares in the circumstances as set out in items (3), (5) and (6) of the first paragraph of Article 27 of the Articles of Association, such buy-back shall be conducted through public centralized trading.

Article 29 Buy-back of the Company's shares under circumstances specified in item (1) and item (2) of the first paragraph of Article 27 of the Articles of Association shall be subject to the approval of the general meeting. Any buy-back of the Company's shares pursuant to items (3), (5) or (6) of the first paragraph of Article 27 of the Articles of Association shall be subject to the approval of more than two-thirds of the Directors attending the relevant Board meeting in accordance with provisions under these Articles of Association or the authorization of the general meeting.

For any acquisition of the Company's shares pursuant to the first paragraph of Article 27 of the Articles of Association, shares bought back pursuant to item (1) shall be cancelled within ten days from the date of the buy-back; shares bought back pursuant to items (2) or (4) shall be transferred or cancelled within six months; for any buy-back of the Company's shares according to items (3), (5) or (6) of Article 27 of the Articles of Association, total shares held by the Company shall not exceed ten per cent of the total issued shares of the Company and such shares purchased shall be transferred or cancelled within three years.

Section 3 Transfer of Shares

Article 30 Shares of the Company shall be transferred in accordance with the laws. Transfer of overseas listed foreign shares listed in Hong Kong shall be registered with the share registrar designated by the Company.

Any controlling subsidiary of the Company shall not acquire shares of the Company. In case any controlling subsidiary of the Company holds shares of the Company due to reasons such as a merger or the exercise of a pledge, it shall not exercise the voting right corresponding to the shares it holds, and shall promptly dispose of the relevant shares of the Company.

Article 31 All transfers of overseas listed foreign shares listed in Hong Kong may be effected by instruments of transfer in writing in a common form of the place where the Company's shares are listed or in any other form acceptable to the Board. Transfers of overseas listed foreign shares may be effected by the standard instrument of transfer specified by Hong Kong Stock Exchange. The instruments of transfer may be signed by hand only or (where the transferor or transferee is a recognized clearing house as defined by the Securities and Futures Ordinance of Hong Kong, or its nominee) by hand or in a machine-imprinted format.

All instruments of transfer shall be deposited with the legal address of the Company, address of the share registrar of the Company or such places as the Board may designate from time to time.

Article 32 The Company shall not accept its own shares as the subject matter of a pledge.

Article 33 A Shares already issued by the Company before public offering shall not be transferred within one year from the date of listing and trading of shares of the Company on the stock exchange.

The Directors and senior management of the Company shall report to the Company their shareholdings and changes thereof and shall not transfer more than twenty-five per cent of their same class of shares per annum during their terms of office as determined at the time of their appointment; the shares they hold in the Company shall not be transferred within one year after the shares of the Company are listed and traded on the stock exchange. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate service with the Company. Where laws, administrative regulations or the CSRC provide otherwise in respect of the transfer of shares of the Company by shareholders, such provisions shall prevail.

If the shares are pledged within a restricted period for transfer stipulated by laws or administrative regulations, the pledgee shall not exercise the pledge within the restricted period for transfer.

Article 34 If the Company's Directors, senior management, and shareholders holding five per cent or more of the shares of the Company sell shares or other securities with an equity nature within six months after buying the same or buy shares within six months after selling the same, the earnings arising therefrom shall be attributed to the Company and the Board shall claim back the said earnings. However, this shall not apply for any sale of shares by an underwriter holding five per cent or more of the Company's shares as a result of its underwriting of the untaken shares and other circumstances stipulated by the CSRC.

Shares or other securities with an equity nature held by Directors, senior management members and natural person shareholders referred to in the preceding paragraph include shares or other securities with an equity nature held by their spouses, parents, children and under accounts of other persons.

If the Company's Board does not comply with the provision of the first paragraph of this Article, the shareholders can request the Board to do so within thirty days. If the Board fails to enforce such right within the said period, the shareholders are entitled to file a lawsuit with a people's court in their own names for the interests of the Company.

If the Company's Board fails to comply with the first paragraph of this Article, the accountable Directors shall assume joint and several liabilities in accordance with laws.

Section 4 Share Certificates and Register of Shareholders

Article 35 The share certificates of the Company shall be in registered form.

In addition to the particulars provided for in the Company Law, the share certificates of the Company shall clearly state such other particulars as required by the stock exchange(s) on which the Company's shares are listed.

The overseas listed foreign shares issued by the Company may take the form of overseas depositary receipt or other derivative form of share certificate in accordance with laws and securities registration and depository practice of the listing venue.

Article 36 The share certificates shall be signed by the Chairman of the Board. Where the signatures of senior management of the Company are required by the Securities Regulatory Authorities or the stock exchange(s) in the place where the Company's shares are listed, the share certificates shall also be signed by senior management. The share certificates shall become valid after the Company seal is affixed thereto or imprinted thereon. The affixing of the Company seal to the share certificates shall be authorized by the Board. The signature of the Chairman of the Board and senior management on the share certificates may also be in printed form.

In case of paperless issuance and trading of the shares of the Company, provisions otherwise provided by the Securities Regulatory Authorities or the stock exchange(s) in the place where the Company's shares are listed shall apply.

Article 37 The Company shall establish a register of shareholders in accordance with certificates from the securities registration and clearing institutions, and the shareholders' register is sufficient evidence of the shareholders' shareholdings in the Company.

Article 38 Where the laws, regulations, the Securities Regulatory Authorities in the place(s) where the shares of the Company are listed and the stock exchange have provisions on the period of suspension of the registration procedures for change of the register of shareholders before convening of a general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

Article 39 When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities requiring the identification of shareholders, the convener of the Board or general meeting shall decide the record date. The shareholders whose names appear on the register of shareholders at the close of trading on the record date shall be entitled to the relevant rights.

CHAPTER 4 CONSTITUTION OF THE PARTY

Article 40 The Company shall set up a Party Committee of CSC Financial Co., Ltd. (the Party Committee). The Party Committee shall consist of one secretary, one or two deputy secretaries and several other members of the Party Committee. The chairman of the Board shall serve as the secretary of the Party Committee, and one deputy secretary shall be designated to assist the secretary in carrying out Party construction work. Eligible members of the Party Committee may join the Board and the Executive Committee through legal procedures. Eligible members in the Board and the Executive Committee may join the Party Committee in accordance with relevant provisions and procedures. Meanwhile, a Party Commission for Discipline Inspection of CSC Financial Co., Ltd. (the Commission for Discipline Inspection) shall be established by the Company in accordance with relevant requirements.

Article 41 The Party Committee of the Company shall perform its duties in accordance with the Constitution of the Communist Party of China, the Regulations of the Communist Party of China on Organization Work, the Working Rules of Primary-level Party Organizations of State-owned Enterprises (for trial implementation) and other internal laws and regulations of the Party, including:

(1) to enhance the political development of the Party, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as the core in the political stance, political direction, political principles and political path;

(2) to thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics in the new era, learn and propagate the Party's theory, thoroughly implement the Party's line, principles and policies as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee as well as the resolutions of the Party organization at a higher level in the Company;

(3) to investigate and discuss the significant operational and management matters and support the general meeting, the Board of Directors and the Executive Committee to exercise their rights and perform their duties in accordance with the laws;
(4) to strengthen its leadership and gate keeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre team and talents team of the Company;
(5) to undertake the main responsibility in improving Party conduct and upholding integrity, lead and support the discipline inspection commission of the Company to fulfil their supervisory and disciplining responsibilities as well as exercise strict administrative discipline and political rules and promote Party self-governance exercised fully and with rigor into the grassroots level;
(6) to strengthen the building of grass-root Party organizations and the Party member service, unit and lead officials and employees to devote themselves into the reform and development of the Company;
(7) to lead the ideological and political work, the spirit and civilization construction, and the united front work of the Company and lead mass organizations such as the labour union, the Communist Youth League and women's organization;
(8) other important matters within the scope of duties of the Party Committee.

CHAPTER 5 SHAREHOLDERS AND THE GENERAL MEETINGS

Section 1 Shareholders

Article 42 A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

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

(1) the Company shall not register more than four persons as joint holders of any share;
(2) the joint holders of any share shall assume joint and several liabilities for all amounts payable for relevant share;
(3) if any of the joint shareholders deceases, only the surviving joint shareholders shall be deemed as having title to the relevant shares, but the Board may, for the purpose of modifying the register of shareholders, require the surviving joint shareholders to provide a death certificate as it deems appropriate;
(4) for joint shareholders of any share, the person whose name stands first in the register of shareholders shall be entitled to receive share certificate of the relevant share or receive notice from the Company, and the service of notice to the aforesaid person shall be deemed as service of notice to all joint shareholders.

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

Article 43 The shareholders of the Company shall enjoy the following rights:

(1) the right to receive dividends and other distributions in proportion to their shareholdings;

(2) the right to request to convene, convene, chair, attend or appoint a proxy to attend general meetings and to exercise the corresponding voting rights and the right to speak according to the law;

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

(4) the right to transfer, give as a gift or pledge shares in accordance with laws, administrative regulations, normative documents and relevant requirements of the Securities Regulatory Authorities of the place where the shares of the Company are listed as well as the Articles of Association;

(5) the access to and copying of the Articles of Association, the register of shareholders (including the branch register of shareholders in Hong Kong), minutes of general meetings, resolutions of the Board, financial accounting reports (provided that the Company may close the branch register of shareholders in Hong Kong on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)). Eligible shareholders may have access to the accounting books and accounting documents of the Company;

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the shareholdings;

(7) with respect to shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company, the right to demand the Company to buy back their shares;

(8) other rights under laws, administrative regulations, departmental rules, normative documents, listing rules of the places where the shares of the Company are listed and these Articles of Association.

The Company shall not exercise any rights to freeze or otherwise prejudice any rights attached to the shares held by any person who directly or indirectly has interest in the Company solely for the reason that such person fails to disclose to the Company any such interests.

Any shareholder who should have but failed to seek permission from or fails to file with the regulatory authorities shall make rectifications within the specified time limit. Such shareholder shall not exercise such rights as the right to request the convening of a general meeting, voting right, right of nomination, right of making motions and right of disposition before rectifications are made. Any shareholder who has made false statements, abused his/her rights as a shareholder or acted in a manner which is detrimental to the interests of the Company shall not exercise such rights as the right to request the convening of a general meeting, voting right, right of nomination, right of making motions and right of disposition.

Article 44 When a shareholder requests to inspect or copy relevant materials of the Company, he/she/it shall comply with the provisions of laws and administrative regulations.

Where a shareholder who individually or jointly holds more than three per cent of shares of the Company for one hundred and eighty or more consecutive days requests to have access to the accounting books and accounting documents of the Company, the provisions under Article 110 and the second, third and fourth paragraphs of Article 57 of the Company Law shall apply.

Article 45 If any resolution of the general meeting or the Board meeting is in violation of laws and administrative regulations, the shareholders shall be entitled to request the People's Court to invalidate the said resolution.

If the convening procedure or voting method of the general meeting or the Board meeting is in violation of laws, administrative regulations or these Articles of Association, or if the content of any resolution is in violation of these Articles of Association, the shareholders shall be entitled to apply to the People's Court for revocation within sixty days after the resolution being adopted. However, this shall not apply when there are only minor defects in the convening procedure or voting method of the general meeting or the Board meeting, which do not materially affect the resolution.

Where the Board of Directors, shareholders and other stakeholders dispute the validity of a resolution of the general meeting, they shall promptly file a lawsuit with a people's court. Before the People's Court makes a judgement or ruling such as a revocation of the resolution, the stakeholders shall execute the resolution of the general meeting. The Company, Directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the people's court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, requirements of the CSRC and the stock exchange, fully explain the impact, and actively cooperate with the enforcement of the judgement or ruling after it has come into effect. Where ratifications to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

In the event of any illegal or improper conduct in relation to equity management affairs in violation of laws, administrative regulations and regulatory requirements, the person(s) responsible for such illegal or improper conduct shall compensate the Company for the losses caused thereby; shareholders who are responsible for illegal or improper conduct shall be held accountable accordingly in accordance with laws, administrative regulations and regulatory requirements; where the Company or the person in charge of equity management affairs and other persons are responsible for the illegal or improper conduct, they shall be held accountable in accordance with the laws, administrative regulations, regulatory requirements and the internal rules of the Company.

Article 46 Resolutions of the general meeting or the Board of Directors of the Company shall not be valid under any of the following circumstances:

(1) no general meeting or Board meeting has been convened to pass a resolution;
(2) the resolution is not voted on at the general meeting or Board meeting;
(3) the number of persons attending the meeting or the number of voting rights held by them does not reach the number of persons or the number of voting rights held as provided for in the Company Law or these Articles of Association;
(4) the number of persons in favor of the resolution or the number of voting rights held by them does not reach the number of persons or the number of voting rights held as provided for in the Company Law or these Articles of Association.

If the resolution of the general meeting or the Board of Directors of the Company is declared invalid, revoked or confirmed to be invalid by the people's court, the Company shall apply to the company registration authority to cancel the registration that has been processed based on the resolution.

If the resolutions of the general meeting or the Board of Directors are declared invalid, revoked or confirmed to be invalid by the people's court, the civil legal relationship formed between the Company and bona fide counterparties based on the resolution will not be affected.

Article 47 If any Director or senior management other than a member of the Audit Committee violates laws, administrative regulations or these Articles of Association in fulfilling their duties, thereby causing any loss to the Company, the shareholder(s) individually or jointly holding one per cent or more of the shares of the Company for one hundred and eighty or more consecutive days shall be entitled to request the Audit Committee in writing to institute legal proceedings to the people's court. If a member of the Audit Committee violates laws, administrative regulations or these Articles of Association in fulfilling its duties, thereby causing any loss to the Company, the aforementioned shareholders shall be entitled to request the Board in writing to institute legal proceedings to the People's Court.

If the Audit Committee or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the shareholders or does not institute legal proceedings within thirty days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may cause irreparable damage to the interests of the Company, the shareholders as specified in the preceding paragraph shall be entitled to directly institute legal proceedings to the people's court in their own names for the interests of the Company.

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

If Directors or senior management of a wholly-owned subsidiary of the Company violate laws, administrative regulations or these Articles of Association in fulfilling their duties, thereby causing any loss to the Company, or if any other person infringes upon the legitimate rights and interests of a wholly-owned subsidiary of the Company, thereby causing any loss, the shareholder(s) individually or jointly holding one per cent or more of the shares of the Company for one hundred and eighty or more consecutive days shall be entitled to request the audit committee or the board of directors of the wholly-owned subsidiary in writing to initiate legal proceedings to the People's Court or directly initiate legal proceedings to the People's Court in his/her/its/their own name in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law. If the wholly-owned subsidiary of the Company has established an audit committee, the first and second paragraphs of this Article shall apply.

Article 48 If any Director or senior management violates laws, administrative regulations or these Articles of Association, thereby causing any loss to the shareholders, the shareholders may institute legal proceedings to the People's Court.

Article 49 The shareholders of the Company shall have the following obligations:

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

(2) to pay capital contribution for the shares subscribed for in the prescribed method of subscription;

(3) except as otherwise provided by laws and regulations, withdrawal of their share capital shall be permitted;

(4) not to abuse shareholder's right to prejudice the interests of the Company or other shareholders; not to abuse the independent status of legal person of the Company or shareholder's limited liability to prejudice the interests of the creditors of the Company. Shareholders of the Company who abuse their shareholder's rights and thereby causing loss to the Company or other shareholders shall be liable for compensation according to the law;

(5) not to remove any Director or senior management members of the Company without the approval by the general meeting and/or the Board;

(6) not to interfere with the operation and management of the Company in violation of any requirement of laws, administrative regulations or the Articles of Association;

(7) shareholders of the Company shall notify the Company in advance if, through subscription or acquisition of the Company's shares or holding of the shares of the Company's shareholders or otherwise, the shareholders will hold five per cent or more of the Company's registered share capital. Shareholders shall be formally entitled to hold such amount of the Company's shares upon approval from the Securities Regulatory Authorities. Shareholders that hold or control five per cent or more of the Company's shares shall not have any voting rights until such approval is obtained from the Securities Regulatory Authorities. The abovementioned shareholders shall dispose of the corresponding shares if they are unable to obtain such approval from the Securities Regulatory Authorities within twelve months from the date of acquiring the shares;

(8) where a shareholder of the Company acquires less than 5% of the shares of the Company through trading on a stock exchange or share transfer system or by means other than subscription for publicly issued shares of the Company, he/she shall meet the qualification requirements prescribed by the CSRC and cooperate with the Company in filing a record with the dispatch office of the CSRC at his/her place of residence;

(9) shareholding periods of the Company's shareholders shall comply with the laws, administrative regulations and relevant requirements of the CSRC on the shareholders of securities companies. The shareholding period may be calculated in continuance if shareholders acquire equity in another securities company by way of share swap, etc. Shareholders shall not pledge their equity interests in the Company during the lockup period. Upon the expiration of the lock-up period, the proportion of equity interest in the Company pledged by a shareholder shall not exceed 50% of his/her equity interest in the Company. Where a shareholder pledges his/her equity interest in the Company, such pledge shall not prejudice the interests of other shareholders and the Company, shall not maliciously circumvent the requirements of the lock-up period in respect of the equity interest, and shall not agree on the exercise of his/her rights as a shareholder such as voting rights by the pledgee or other third parties, or transfer the control of his/her equity interest in the Company in a disguised form. If the major assets of a shareholder are equities in securities companies, the controlling shareholders and the de facto controller of a shareholder of the Company shall abide by the same lock-up period as that for such shareholder in respect of his/her equity interest in the Company, except for the circumstances approved by the CSRC according to laws;

(10) to fulfill other obligations as stipulated by laws, administrative regulations and these Articles of Association.

Shareholders of the Company who abuse their shareholder's rights and thereby causing loss to the Company or other shareholders shall be liable for compensation according to the law. Where shareholders of the Company abuse the independent status of legal person of the Company and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Article 50 Shareholders holding five per cent or more of the shares of the Company shall notify the Company in writing within five working days upon occurrence of any of the following circumstances:

(1) shares of the Company they hold or control are under property preservation measures or mandatory enforcement measures;
(2) change of the de facto controller;
(3) their names are changed;
(4) a merger or division is effected;
(5) they are subject to regulatory measures including suspension of operation for rectification, designated custody, takeover or revocation or other regulatory measures, or proceeding with dissolution, bankruptcy or liquidation procedures;
(6) they receive administrative penalty or are subject to criminal liability due to serious violations of laws and regulations;
(7) they are involved in other circumstances that may lead to transfer of the shares of the Company they hold or control or affect operation of the Company.

If any shareholder who holds five percent or more of the Company's shares pledges the shares it holds, it shall promptly report to the Company in writing upon the occurrence of such pledge.

The Company shall report to the local branch of the CSRC of its place of domicile, within five working days after acknowledging the occurrence of the events as stated above.

Article 51 The Company shall establish an effective mechanism for communicating with its shareholders and shall protect the shareholders' right of information pursuant to laws.

The Company shall notify, in a timely manner, all of its shareholders in writing or other methods set out in the Articles of Association, and report to the local branch of the CSRC of the Company's place of domicile:

(1) the conducts of the Company or its Directors and senior management officers are alleged to be in serious violation of laws and regulations;
(2) the Company's financial position continues to deteriorate, resulting in the risk control indicators falling below the standards set by the Securities Regulatory Authorities;
(3) the Company suffers substantial losses;
(4) proposed change of the legal representative, the Chairman or principal person in charge of the operation and management;
(5) occurrence of emergencies that will or may have material adverse effect on the interests of the Company and its clients;
(6) other matters that may affect the Company's on-going operation.

Article 52 The controlling shareholders and the de facto controllers of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations and the provisions of the CSRC and the stock exchange, and shall safeguard the interests of the Company. Where there is no controlling shareholder or de facto controller, relevant provisions applicable to the entity under laws, administrative regulations and the provisions of the CSRC and the stock exchange shall prevail.

The controlling shareholders and the substantial shareholders of the Company shall replenish the capital of the Company as and when necessary.

Article 53 The controlling shareholders and the de facto controllers of the Company shall comply with the following provisions:

(1) to exercise their rights as shareholders in accordance with the laws, and not abuse their control or use their affiliation to prejudice the legitimate rights and interests of the Company or other shareholders;

(2) to strictly implement the public statements and undertakings made, and shall not change or waive them;

(3) to fulfill information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure, and to promptly inform the Company of material events that have occurred or are proposed to occur;

(4) not to misappropriate the Company's funds in any way;

(5) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(6) not to make use of the Company's undisclosed material information to gain benefits, not to divulge in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;

(7) not to prejudice the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;

(8) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organization and business, and not to affect the independence of the Company in any way;

(9) other provisions prescribed by laws, administrative regulations, the provisions of the CSRC, the operation rules of the stock exchange and these Articles of Association.

Where the controlling shareholders or the de facto controllers of the Company do not serve as Directors of the Company but actually execute corporate affairs, the fiduciary duties and duties of diligence of the Directors as contained in these Articles of Association shall apply. Where the controlling shareholders or the de facto controllers of the Company instruct Directors or senior management to engage in an act that is detrimental to the interests of the Company or the shareholders, they shall be jointly and severally liable with such Directors or senior management.

Article 54 Where the controlling shareholders or the de facto controllers pledge the shares of the Company that they hold or actually control, they shall maintain the stability of the Company's control and production operations.

Article 55 Where the controlling shareholders or the de facto controllers transfer the shares of the Company held by them, they shall comply with the restrictive provisions on the transfer of shares as stipulated under laws, administrative regulations, and the provisions of the CSRC and the stock exchange, and their undertakings in respect of the restriction on the transfer of shares.

Section 2 General Provisions for General Meetings

Article 56 The general meeting of the Company shall comprise all shareholders. The general meeting shall be the authority of power of the Company and shall exercise the following functions and powers according to law:

(1) to decide the business operation guidelines and investment plans for the Company;
(2) to elect and change relevant Directors, and decide on the remunerations of Directors;
(3) to consider and approve reports of the Board;
(4) to consider and approve the Company's profit distribution plans and loss recovery plans;
(5) to resolve on the increase or reduction of the registered capital of the Company;
(6) to resolve on the issuance of bonds of the Company;
(7) to resolve on the merger, division, dissolution, liquidation or change in the form of the Company;
(8) to amend these Articles of Association;
(9) to determine the Company's engagement and removal of accounting firms that undertake the audit business of the Company;
(10) to consider and approve the material external investment projects of the Company, which are external investment projects the capital used by which in one accounting year exceeds five per cent of the latest audited net assets of the Company and the accumulated capital used by which exceeds ten per cent of the latest audited net assets of the Company;
(11) to consider and approve the Company's purchase or disposal of major assets within one year with the aggregate transaction amount exceeding fifteen per cent of the latest audited total assets of the Company;
(12) to consider and approve the external guarantees to be provided by the Company that comply with the provisions of these Articles of Association;
(13) to consider and approve connected transactions which shall be approved at the general meeting in accordance with laws, regulations, and the listing rules of the place where the Company's shares are listed;
(14) to consider and approve matters relating to the changes in the use of proceeds;
(15) to consider and approve share incentive schemes and employee stock ownership plans;

(16) to consider and approve proposals submitted by shareholders individually or jointly holding one per cent or more of the shares of the Company;
(17) to consider and approve the external donations by the Company which accumulatively exceed RMB twenty-five million in one financial year;
(18) to consider other matters required to be resolved at the general meeting pursuant to laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the Company's shares are listed and the Articles of Association.

The general meeting may authorize the Board of Directors to resolve on the issuance of corporate bonds.

The Company may issue shares or corporate bonds convertible into shares according to resolutions of the general meeting, or resolutions of the Board of Directors as authorized by these Articles of Association and the general meeting. The specific implementation shall comply with the laws, administrative regulations, and the provisions of the CSRC and the stock exchange.

Except as otherwise provided by laws, administrative regulations, the provisions of the CSRC and the rules of the stock exchange or these Articles of Association, the aforementioned power of the general meeting shall not be performed by the Board of Directors or any other body or individual in the form of authorization.

Article 57 The following external guarantees of the Company shall be considered and passed at the general meeting:
(1) any guarantee provided after the total amount of external guarantees provided by the Company and its controlled subsidiaries has exceeded fifty per cent of the latest audited net assets;
(2) any guarantee provided after the total amount of external guarantees provided by the Company has exceeded thirty per cent of the latest audited total assets;
(3) guarantees provided by the Company to others within one year have exceeded thirty per cent of the latest audited total assets of the Company;
(4) guarantee is provided to a party whose asset-liability ratio in excess of seventy per cent;
(5) a single guarantee exceeds ten per cent of the latest audited net assets;
(6) other external guarantees as prescribed by laws, administrative regulations, departmental regulations, the listing rules of the stock exchange of the place where the shares of the Company are listed and these Articles of Association.

Unless otherwise permitted under laws and regulations, the Company is prohibited from providing guarantees for shareholders or related parties of shareholders.

In case of violation of the approval authority or review procedures of the general meeting or the Board of Directors for external guarantees as stipulated in these Articles of Association, the Company shall investigate the corresponding legal and economic responsibilities of the responsible party according to the seriousness of the situation.

Article 58 Unless the Company is under exceptional circumstances such as crisis, the Company shall not enter into contracts with a party (other than a Director and senior management members) in relation to handover of the administration of all business or the important business of the Company to that party without the approval of the general meeting by special resolution.

Article 59 General meetings consist of annual general meetings and extraordinary general meetings. The annual general meeting shall be held once every year within six months after the end of the previous financial year.

Article 60 The Company shall convene an extraordinary general meeting within two months upon occurrence of the following events:

(1) when the number of Directors falls below the minimum requirement of the Company Law, or is less than two-thirds of the number specified by the Articles of Association;
(2) the unrecovered losses of the Company amount to one third of the total amount of its share capital;
(3) when shareholder(s) severally or jointly holding ten per cent or more of the Company's voting shares request(s);
(4) the Board considers it necessary;
(5) the Audit Committee proposes to convene such meeting;
(6) other circumstances stipulated by laws, administrative regulations, departmental rules or these Articles of Association.

The number of shares held by the shareholder(s) as described in item (3) shall be calculated at the close of trading on the date when such shareholder(s) request in writing or on the preceding trading day (if the written request is made on a non-trading day).

Article 61 The venue of a general meeting of the Company shall be the domicile of the Company or other location specified in the notice of the general meeting that is convenient for shareholders to attend. After issuance of the notice of a general meeting, the venue of the physical general meeting shall not be changed without just causes. If there is a need for change, the convener shall make an announcement and explain the reasons at least two working days prior to the physical meeting date.

A general meeting shall usually be in the form of physical meeting held on-site. The Company will also provide internet or other means to facilitate the participation of shareholders in general meetings in accordance with the requirements of securities regulatory authorities or stock exchanges. A shareholder who participates in a general meeting in the aforesaid manners shall be deemed to have been present at the meeting. The method of confirmation of the shareholders' identities shall comply with Article 39 of these Articles of Association.

Provided that a general meeting is legally and validly held, the Company shall facilitate the participation of shareholders in the general meeting by giving priority to online voting platform and other modern information technology means through a variety of ways and methods.

If the Company cannot hold the general meeting within the periods set forth in Articles 59 and 60 of these Articles of Association, the Company shall report, together with the reasons thereof, to the local branch of the CSRC of the Company's domicile and the domestic stock exchange where the Company's shares are listed, and publish an announcement.

Section 3 Convening of General Meetings

Article 62 The general meetings shall be convened by the Board of Directors. The Audit Committee or shareholders may convene the general meeting on their own initiative, subject to the relevant requirements specified in this section.

More than half of Independent Directors shall be entitled to propose to the Board to convene an extraordinary general meeting. The Board shall, in accordance with laws, administrative regulations and these Articles of Association, inform in writing whether it agrees or disagrees to convene an extraordinary general meeting within ten days upon receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. If the Board does not agree to hold the extraordinary general meeting, it shall give the reasons and publish an announcement thereof.

Article 63 The Audit Committee shall be entitled to propose to the Board to convene an extraordinary general meeting, and shall put forward its proposal to the Board in writing. The Board shall, pursuant to laws, administrative regulations and these Articles of Association, inform in writing whether it agrees or disagrees to convene the extraordinary general meeting within ten days upon receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. In the event of any change to the original proposal set forth in the notice, the consent of the Audit Committee shall be obtained.

If the Board does not agree to hold the extraordinary general meeting or fails to respond within ten days upon receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and the Audit Committee may convene and preside over the meeting itself.

Article 64 Shareholder(s) severally or jointly holding ten per cent or more of the voting shares of the Company shall be entitled to request the Board to convene an extraordinary general meeting, and shall put forward such request to the Board in writing. The Board shall, pursuant to laws, administrative regulations and these Articles of Association, inform in writing whether it agrees or disagrees to convene the extraordinary general meeting within ten days upon receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained.

If the Board does not agree to hold the extraordinary general meeting or fails to respond within ten days upon receipt of the proposal, shareholder(s) severally or jointly holding ten per cent or more of the voting shares of the Company shall be entitled to propose to the Audit Committee to convene an extraordinary general meeting, and shall put forward such request to the Audit Committee in writing.

If the Audit Committee agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days upon receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained.

In the case of failure to issue the notice of extraordinary general meeting within the prescribed period, the Audit Committee shall be deemed as failing to convene and preside over the general meeting and the shareholder(s) severally or jointly holding ten per cent or more voting shares of the Company for ninety or more consecutive days may convene and preside over such meeting by itself/themselves.

The shareholding in voting shares of the convening shareholders shall be no less than ten per cent before a resolution passed at the general meeting is announced. The convening shareholders shall publish an announcement no later than the issuance of notice of the general meeting and undertake that their shareholding in voting shares shall not be less than 10% during the period from the date of proposing the convening of the general meeting to the convening date of the general meeting.

The Audit Committee or the convening shareholders shall submit the supporting documents to the local branch of the CSRC of the Company's domicile and the stock exchange upon the issuance of the notice of the general meeting and the announcement of the resolutions of the general meeting.

Article 65 Where the Audit Committee or shareholders convene a meeting by themselves in accordance with the provisions of this section, a written notice shall be sent to the Board and filed with the Securities Regulatory Authorities where the Company is located and relevant stock exchange. The Board and the secretary of the Board shall cooperate in terms of such meetings. The Board shall provide the register of shareholders on the shareholding record date. The expenses reasonably accrued therefrom shall be borne by the Company.

Section 4 Proposals and Notices of General Meetings

Article 66 The contents of the proposals of the general meetings to be raised shall be within the scope of duties of the general meetings. It shall have a clear topic and specific matters to be resolved on, and shall be in compliance with relevant requirements of laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the Company's shares are listed and the Articles of Association.

Article 67 When a general meeting is convened by the Company, the Board, the Audit Committee and shareholders who severally or jointly hold one per cent or more of the shares of the Company, shall be entitled to make proposals to the Company.

Shareholders, who severally or jointly hold one per cent or more of the shares of the Company, may submit ad hoc proposals in writing to the convener ten days before the convening of the general meeting. Where qualified shareholders submit ad hoc proposals, his/her shareholding percentage shall not be less than one per cent during the period from the issuance of the notice of such ad hoc proposals to the announcement of the resolutions of the meeting. Where shareholders submit ad hoc proposals, he/she shall provide the convener with documents proving that he/she holds more than one per cent of the shares of the Company. Where shareholders jointly submit proposals by proxy, the entrusting shareholder shall issue an authority document in writing to the entrusted shareholder. The convener shall issue a supplemental notice of the general meeting within two days upon receipt of the proposals and announce the contents of the ad hoc proposals, and submit such ad hoc proposals to the general meeting for consideration, except for the circumstances that such ad hoc proposals violate provisions under laws, administrative regulations and these Articles of Association, or do not fall within the scope of duties of the general meetings.

Except for circumstances provided in the above paragraph, the convener, after issuing the notice of the general meeting, shall neither modify the proposals stated in the notice of general meetings nor add new proposals.

The general meeting shall not vote or resolve on any proposals which are not contained in a notice of the general meeting or are not in compliance with these Articles of Association.

Article 68 Where an annual general meeting is convened by the Company, it shall issue a written notice twenty-one days prior to the convening of the meeting; where an extraordinary general meeting is convened by the Company, it shall issue a written notice fifteen days prior to the convening of the meeting to notify all the registered shareholders of the matters proposed to be considered as well as the date and venue of the meeting. Provisions otherwise provided by the laws, regulations, the Securities Regulatory Authorities in the place(s) where the shares of the Company are listed and the Stock Exchange shall prevail.

When calculating the time limit of the notice, the date of the meeting convened shall be excluded.

Article 69 Where the laws, regulations, the Securities Regulatory Authorities in the place(s) where the shares of the Company are listed and the Stock Exchange have provisions on the written replies of shareholders attending the general meeting, those provisions shall prevail.

Article 70 Notice of a general meeting shall contain the following information:

(1) time, venue and duration of the meeting;
(2) matters and proposals to be considered at the meeting;
(3) a prominent statement that all ordinary shareholders are entitled to attend a general meeting and may appoint a proxy in writing to attend and vote at the meeting, and that such proxy does not need to be a member of the Company;
(4) the record date for shareholders who are entitled to attend the general meeting;
(5) the name and telephone number of the contact person for the meeting;
(6) the time and procedures for voting online or by other means.

The interval between the shareholding record date of general meeting and the date of the meeting shall be in compliance with the requirements of relevant regulatory authorities of the place where securities of the Company are listed. The shareholding record date shall not be changed once confirmed.

Any notice and supplementary notice of general meetings shall sufficiently and completely disclose all the details of all proposals.

Article 71 Unless the Articles of Association otherwise requires, the notice of a general meeting shall be sent to shareholders and announced in accordance with the manners provided in the Articles of Association or other manners permitted by laws and regulations.

For holders of Domestic Shares, the notice of the general meeting shall be given by way of announcement. The notices, materials or written statement of the general meeting should be delivered to the shareholders of overseas listed foreign shares in any of the following manners:

(1) announced at the websites designated by the Securities Regulatory Authorities or the stock exchange of the place where securities of the Company are listed in accordance with relevant laws, administrative regulations and listing rules;
(2) to be delivered to every holder of overseas listed foreign shares by person or by mail to the registered addresses of such holder of overseas listed foreign shares (if applicable);
(3) other manners required by the stock exchange of the place where securities of the Company are listed and listing rules.

Article 72 The accidental omission to give the 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 or the resolutions passed thereat.

Article 73 Where the election of Directors are proposed to be discussed at a general meeting, the notice of the general meeting shall sufficiently disclose the detailed information about the Director candidate(s) in accordance with laws, regulations, listing rules of the place where Shares of the Company are listed and the requirements of the Articles of Association, including at least the following contents:

(1) personal information including education background, work experience and part-time job;

(2) whether he/she is connected with the Directors, senior management, de facto controller and shareholders holding more than 5% of the shares of the Company;

(3) shares of the Company held by him/her;

(4) whether he/she is subject to the circumstances where he/she is prohibited to be nominated as a director of listed securities companies;

(5) whether he/she has received any penalty from the Securities Regulatory Authorities and other relevant governmental authorities and any penalty and warning from the stock exchange.

In addition to adopting the cumulative voting system to elect Directors, election of every Director candidate shall be conducted by separate resolution.

Article 74 After the notice of the general meeting is issued, the general meeting shall not be postponed or cancelled, and the proposals set out in such notice shall not be cancelled without valid reasons. In case of adjournment under special circumstances, the Company shall promptly report to the local branch of the CSRC of the Company's place of domicile with the reasons for adjournment, the convener shall publish a notice at least two working days before the original date of the general meeting and state the relevant reasons to every shareholder.

Section 5 Holding of General Meetings

Article 75 The Board of the Company and other conveners shall take necessary measures to ensure the good order of the general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles and infringing the legitimate rights and interests of any shareholder, and shall report in a timely manner such act to the relevant authority for investigation and punishment.

Article 76 All shareholders or their proxies whose names appear on the register of shareholders on the shareholding record date are entitled to attend the general meeting and exercise their voting rights in accordance with the relevant laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed and the Articles of Association.

Any shareholder entitled to attend and vote at a general meeting shall have the right to appoint one or several persons (who may not be shareholders) to act as his/her proxy to attend and vote at the meeting on his/her behalf. The proxy(ies) so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:

(1) the shareholders' right to speak at the meeting;
(2) the right to demand a poll by himself/herself or jointly with others;
(3) unless otherwise provided by the Articles of Association, the right to exercise voting rights by a show of hands or by a poll, provided that where more than one proxy is appointed, the proxies may only exercise such voting rights by a poll.

Article 77 Shareholders may attend a general meeting in person or appoint a proxy to attend and vote on their behalf.

Individual shareholders attending a general meeting in person shall produce their identity cards or other valid proof or evidence of their identities, in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the proxy forms from shareholders.

Where a shareholder is a legal entity, its legal representative or a proxy entrusted by such legal representative shall attend a general meeting. In case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives.

In the case of attendance by proxies of such legal representatives, such proxies shall produce their identity cards and the letters of authorization duly issued by such legal representatives.

Article 78 The proxy form to appoint a proxy to attend any general meeting by a shareholder shall contain the following:

(1) the name of the principal, and the class and number of shares of the Company held by such principal;
(2) the name of the proxy;
(3) the specific instructions from the shareholder, including the instruction of voting "for", "against" or "abstain" for each resolution proposed at any general meeting;
(4) the date of signing the proxy form and the effective period for such appointment;
(5) the signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed.

If the shareholder is an authorized clearing house (as defined under the Hong Kong Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)) or its agent, such shareholder is entitled to appoint one or more persons it deems suitable to act as its proxy in any general meeting. If two or more persons are appointed as proxies, the power of attorney shall clearly state the number and the class of shares represented by each of the proxies. The proxies so appointed may represent the authorized clearing house (or its agent) in exercising its rights as if that proxy is an individual shareholder of the Company.

Article 79 The convener and the lawyer appointed by the Company shall examine legality of the shareholders' qualifications according to the register of shareholders and other effective documents provided by the securities registrations and clearing organizations. The names (titles) of shareholders and the number of voting shares shall be registered. The registration at the meeting shall terminate before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of voting shares held.

A registration record for attendees at the meeting shall be compiled by the Company. The registration record shall contain items including but not limited to the names of attendants (or names of organizations), identity card numbers, the number of voting shares held or represented and names of appointers (or name of organizations).

Article 80 When holding a general meeting, the Company shall engage lawyers to provide legal opinions on the following issues with announcement thereon:

(1) whether the procedures for convening and holding the general meeting are in compliance with the provisions under the laws, administrative regulations, the Articles of Association;
(2) whether the qualifications of the attendees and convener are lawful and valid;
(3) whether the voting procedures and voting results of the general meeting are lawful and valid;
(4) legal opinions on other relevant issues at the request of the Company.

Article 81 Where Directors and senior management are required to be present at the general meeting, the Directors and senior management shall be present at the meeting and answer inquiries from shareholders.

Article 82 The chairman of the Board shall preside over and act as chairman of the general meeting convened by the Board. If the chairman of the Board cannot or does not fulfill such duty, the vice chairman of the Board shall preside over and act as chairman of the meeting. Where there are two or more vice chairmen of the Board, the vice chairman of the Board selected by more than half of all Directors shall preside over and act as chairman of the meeting. Where the vice chairman of the Board is unable or fails to perform his/her duties, one Director selected by more than half of all Directors shall preside over and act as chairman of the meeting. Where it is unable to select the chairman of the meeting, one person selected by shareholders attending the meeting shall act as chairman of the meeting. Where the shareholders fail to elect a chairman of the general meeting for any reason, the shareholder (including his/her proxy) present in person or by proxy who holds the largest number of voting shares shall be the chairman of the meeting.

The convener of the Audit Committee shall preside over the general meeting convened by the Audit Committee. If the convener of the Audit Committee is unable or fails to fulfill his/her duties, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside over the meeting.

The convener or a representative elected by the convener shall preside over the general meeting convened by the Shareholders.

Where a general meeting is held and the chairman of the meeting violates the rules of procedure which makes it impossible for the general meeting to continue, one person may be elected at the general meeting to act as the chairman and continue the meeting, subject to the approval of the attending shareholders with more than half of the voting rights.

Article 83 The Company shall formulate rules of procedure for general meetings which shall specify the convening, holding and voting procedure of general meetings. The rules of procedures for general meetings shall be attached as an appendix to these Articles of Association, formulated by the Board and approved by the general meeting.

Article 84 The Board shall report their work for the past year at the annual general meeting. Each Independent Director shall also submit his/her annual work report at the annual general meeting to report his/her performance of duties. The annual work report of Independent Directors shall include the particulars as required by laws and regulations such as the Measures for the Administration of Independent Directors of Listed Companies and shall be disclosed not later than the despatch of notice of annual general meeting of the Company.

Article 85 The Directors and senior management of the Company shall answer and explain inquiries and proposals made by shareholders at the general meeting.

Article 86 The chairman of the meeting shall, prior to voting, announce the number of shareholders and proxies present at the meeting as well as the total number of voting shares, which shall be the number of shareholders and proxies present at the meeting and the total number of their voting shares as indicated in the meeting's registration record.

Article 87 Minutes of a general meeting shall be prepared by the secretary of the Board. The minutes shall state the following:

(1) the time, venue and agenda of the meeting and the convener;
(2) the name of the meeting chairman and the names of the Directors and senior management who attend the meeting or are present in the meeting;
(3) the numbers of shareholders and proxies attending the meeting, number of voting shares they represent and the percentages of their voting shares to the total share capital of the Company;
(4) the process of review and discussion, summary of any speech and voting results with respect to each proposal;
(5) shareholders' inquiries, opinions or suggestions and corresponding answers or explanations;
(6) the names of lawyers, vote counters and scrutinizers of the voting;
(7) other contents to be included as specified in these Articles of Association.

Article 88 The convener shall ensure that the contents of the minutes are true, accurate and complete. The Directors, the secretary of the Board, the convener or representative thereof, and the chairman of the general meeting who attend or are present at the meeting shall sign on the minutes of the meeting. The minutes of meeting shall be kept together with the attendance record of the attending shareholders, the power of attorney of the proxies and the valid information of online voting and other means of voting for a term of not less than twenty years.

Article 89 The convener shall ensure that the general meeting is held continuously until final resolutions have been reached. In the event that the general meeting is suspended or the shareholders fail to reach any resolution due to force majeure or for other special reasons, necessary measures shall be taken to resume the meeting as soon as possible or directly terminate the meeting and publish an announcement and report in accordance with the relevant laws, administrative regulations, departmental rules, normative documents and listing rules of the place where the shares of the Company are listed.

Section 6 Voting and Resolutions at General Meetings

Article 90 Resolutions of the general meeting include ordinary resolutions and special resolutions.

Ordinary resolution at a general meeting shall be adopted by more than half of the voting rights held by shareholders attending the general meeting.

Special resolution at a general meeting shall be adopted by two-thirds or more of the voting rights held by shareholders attending the general meeting.

The shareholders referred to in this Article include shareholders who appoint proxies to attend general meetings.

Article 91 The following matters shall be resolved by way of ordinary resolutions at a general meeting:

(1) work reports of the Board;
(2) profit distribution plan and loss recovery plan formulated by the Board;
(3) appointment or dismissal of the members of the Board, remuneration and payment methods thereof;
(4) the Company's annual report;
(5) the Company's engagement or removal of accounting firms;
(6) matters other than those requiring approval by special resolutions in accordance with laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed or the Articles of Association.

Article 92 The following matters shall be resolved by way of special resolutions at a general meeting:

(1) increase or reduction of the registered capital of the Company;
(2) issuance of corporate bonds;
(3) division, spin-off, merger, dissolution and liquidation or change in the form of the Company;
(4) external guarantees to be provided by the Company within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;
(5) purchase or disposal of major assets of the Company within one year with the transaction amount exceeding 15% of the latest audited total assets of the Company;
(6) amendments to the Articles of Association;
(7) share incentive scheme and employee stock ownership plan;
(8) any other matters as required by laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed or the Articles of Association of the Company and matters which, as resolved by way of an ordinary resolution at a for consideration at the general meeting general meeting, will have a material impact on the Company and need be approved by way of special resolutions.

Article 93 Shareholders shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.

Where a material matter affecting the interests of small and medium investors is being considered at a general meeting, the votes cast by small and medium investors shall be counted separately, and the counting results shall be publicly disclosed in a timely manner.

Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a general meeting.

If a shareholder buys voting shares of the Company in violation of the provisions of Article 63 (1) and (2) of the Securities Law, such shares in excess of the prescribed proportion shall not be entitled to exercise voting rights for a period of thirty-six months after the purchase, and shall not be counted as part of the total number of voting shares present at the general meetings.

Subject to the applicable laws, administrative regulations, departmental rules, normative documents or listing rules of the places where the shares of the Company are listed, the Board, Independent Directors, shareholders holding more than 1% of the total voting shares of the Company or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may openly request the shareholders of the Company to entrust it/them to attend the general meeting on their behalf, and to exercise shareholder's rights such as the right to propose a motion and to vote on their behalf. Information required for shareholders to grant authorization shall be fully provided to the shareholders for whom rights are being solicited. Consideration or de facto consideration for soliciting shareholders' rights is prohibited. Save for the statutory conditions, the Company shall not impose any minimum shareholding limitation for soliciting shareholders' rights.

Article 94 When a connected transaction is considered at a general meeting, connected shareholders shall not vote, and the voting shares held by them shall not be counted in the total number of voting shares.

When relevant matters are considered, the following provisions shall be observed:

(1) Where matters to be considered require connected shareholders to abstain from voting at a general meeting, the Company shall disclose such matters in the notice of such meeting;

(2) When matters in relation to connected transactions are considered at a general meeting, shareholders with a connected interest shall abstain from voting;

(3) Where matters having a connected relationship with shareholders are considered at a general meeting, the relevant shareholders and their proxies shall not participate in the counting or scrutinizing of votes;

(4) Where matters to be considered require connected shareholders to abstain from voting at a general meeting, the Company shall disclose the abstentions in the notice of resolution of such meeting.

The announcement of the resolutions of the general meeting shall fully disclose the voting of independent shareholders. Where the applicable laws, administrative regulations, departmental rules, normative documents or listing rules of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 95 Pursuant to the applicable laws, administrative regulations, departmental rules, normative documents and listing rules of the place where the shares of the Company are listed, where any shareholder shall abstain from voting for any particular resolution, or is restricted to vote only for or against such resolution, any vote in violation of such requirement or restriction by the shareholders (or their proxies) shall not be counted in the voting results.

Article 96 Voting on all resolutions by Shareholders at the general meeting will be decided by registered ballot except where the chairman of the meeting in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Article 97 Lists of candidates for Directors shall be put forward by way of proposal at the general meetings for voting.

Where a single shareholder and its persons acting in concert are interested in 30% or more of the shares of the Company, the cumulative voting system is required to elect more than two Directors.

Where the shareholders' general meeting of the Company elects two or more Independent Directors, the cumulative voting system shall be implemented. The votes of minority shareholders shall be counted separately and disclosed.

Where Directors are elected at the general meeting under the cumulative voting system, the voting of the Independent Directors and Non-independent Directors shall be carried out separately. The general meeting shall determine the elected Directors in a descending order of the number of votes obtained according to the number of Directors to be elected.

Shareholders attending the general meeting shall have the same number of votes as the number of directors to be elected under each proposal group for each share held in the proposal subject to the cumulative voting system. The number of votes held by shareholders can be cumulatively cast for one candidate or several candidates.

Shareholders should vote within the number of votes for each proposal group. In the event that the number of votes cast by the shareholder exceeds the number of the votes he/she holds, or the shareholder casts votes in a number exceeding the number of candidates in the competitive election, the vote on such resolution shall be deemed invalid.

Shareholders with multiple shareholder accounts may vote online through any one of their accounts. The number of votes they are entitled to is calculated on the basis of the total shares of the same class under all of their shareholder accounts.

In addition to the cumulative voting system, the general meeting shall vote on all the proposed resolutions separately; in the event of several proposed resolutions for the same issue, such proposed resolutions shall be voted on in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposed resolutions shall neither be shelved nor refused at the general meeting.

Article 98 When considering a proposed resolution at a general meeting, no amendments shall be made thereto. Any change made thereto shall be considered as a new proposed resolution, for which the voting shall not proceed in that meeting. The same vote may only be cast once at the location of a general meeting, or by online voting or other means. In the event of multiple casting of the same vote, only the outcome of the first casting of such vote shall be counted.

Article 99 Before the relevant proposed resolution is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. If any shareholder is related to the matter under consideration, such shareholder and his/her proxy shall not take part in counting the votes or scrutinizing the conduct of the poll. When votes are cast on proposed resolutions at the general meeting, the lawyers, representatives of the shareholders shall be jointly responsible for scrutinizing and counting votes and shall announce the voting results at the general meeting. The voting results in connection with the resolution shall be recorded in the minutes.

Shareholders of the Company or their proxies who cast their votes via the internet or through other permitted means shall have the right to monitor the voting results by the corresponding voting platform.

Article 100 A general meeting shall not be declared closed for the physical meeting at a time earlier than that for attendance via the internet or other means. The chairman of the meeting shall announce the voting details and results of each proposal and shall declare whether or not a proposal is adopted on the basis of the relevant voting results.

Prior to formally announcing the voting results, all those who are involved in the meeting whether in person or via internet or other means, including any companies, tellers, scrutineers, shareholders, internet service providers and other relevant parties shall have the obligation to keep matters related to the voting confidential.

Article 101 A shareholder attending a general meeting shall express one of the following opinions on any proposed resolutions to be voted on: for, against or abstain, except for the declaration by securities registration and clearing institutions as the nominal holder of shares under the mutual market access scheme between PRC and Hong Kong stock markets, based on the intentions of the actual holders.

Blank, wrong, illegible or uncast votes shall be deemed as the voters' waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as "abstain".

Article 102 In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to the vote, he/she may have the votes counted. In the event that the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the voting result, the chairman of the meeting shall have the votes counted immediately.

Article 103 Where a proposed resolution on the election of Directors is passed at the general meeting, the term of office of the newly-elected Director shall be determined at the same time and shall commence on the date on which the relevant resolution is approved at the general meeting.

Article 104 Where a proposed resolution in relation to the payment of cash dividends, the issue of bonus shares or the capitalisation of capital reserves is passed at a general meeting, the Company shall implement the specific plans within two months after the conclusion of the general meeting.

Article 105 The resolutions of the general meeting shall be announced promptly. Such announcement shall specify the number of shareholders and proxies present at the meeting, the total number of voting shares held by them, the percentage of such voting shares in relation to all the voting shares of the Company, the total number of shares required by the Securities Regulatory Authorities in the place where the Company's shares are listed to abstain from voting in favor and/or abstain from voting (if any), whether shareholders required to abstain from voting have in fact abstained, the voting methods, the voting result of each proposal, the details of each passed resolution and the identities of scrutinizers for vote-counting.

If a proposal is not passed, or if a resolution of the previous general meeting is changed at the said general meeting, special notes in connection therewith should be made in the announcement of the resolutions of the general meeting.

CHAPTER 6 BOARD OF DIRECTORS

Section 1 Directors

Article 106 Directors of the Company shall comply with the requirements of the Securities Regulatory Authorities in respect of requirements for the positions. The Company shall not appoint any personnel who does not comply with the requirements for the positions to be Director. The appointment and removal of a Director by the Company shall be reported to and filed with the Securities Regulatory Authorities.

Article 107 Directors shall be elected and replaced at the general meeting, and can be removed by the general meeting before expiry of their respective term of office. Every Director shall serve a term of three years for each session. A director may serve consecutive terms if re-elected upon the expiry of his/her term, unless otherwise required by the relevant regulations and the Articles of Association.

The term of office of a Director shall be calculated from the date when such Director takes office, until the expiry of the term of the Board of Directors.

A Director need not hold any shares in the Company.

Article 108 If the members of the Board of Directors fall below the minimum requirements stipulated in the Articles of Association because no re-election is timely conducted upon expiry of the term of office of a Director, or due to the resignation of a Director, or the Audit Committee falls below the quorum or lacks an accounting professional due to the resignation of members of the Audit Committee, the existing Director shall continue to perform his/her duties as a Director in accordance with relevant regulations and the provisions of these Articles of Association until a newly elected Director takes office.

A Director may resign prior to the expiry of his/her term of office. If a Director resigns, such Director shall tender in writing a letter of resignation to the Company, and the Company shall disclose relevant information within two trading days. Excepted that the members of the Board of Directors fall below the minimum statutory requirements due to the resignation of a Director or the percentage of Independent Directors in the Board of Directors or its special committees does not meet the requirements of laws and regulations or these Articles of Association or there are deficient accounting professionals among Independent Directors as a result of the resignation of any Independent Director set out in this Article (in such event, the Independent Director to resign shall continue performing duties until the date on which a new Independent Director is elected), the resignation shall take effect at the time when the letter of resignation has been received by the Company, unless a later effective date of resignation is prescribed in the letter of resignation.

Article 109 The Company shall establish a management system for Directors' departure, specifying the safeguards for pursuing accountability and seeking compensation for unfulfilled public commitments and other outstanding matters. When a Director resigns or his/her term of office expires, the Director shall complete all handover procedures with the Board of Directors. The fiduciary duty of such Director towards the Company and the shareholders shall remain for a reasonable period after the termination of the term of office. The length of such period shall be decided upon in accordance with the principle of fairness, taking into account the time elapsed between the termination and the occurrence of the matter as well as the circumstances and conditions under which the relationship with the Company terminates. Their confidentiality obligation in relation to the Company's trade secrets shall remain for a period of two years from the expiry of their terms of office.

The liability which a Director incurs in the course of performing his/her duties during his/her term of office shall not be exempted or terminated upon his/her departure from office.

Article 110 Subject to compliance with relevant laws and regulations, a Director may be removed by a resolution at a general meeting, and such removal shall take effect on the date the resolution is passed.

Where a Director is removed without a just cause before the expiry of his/her term, such Director may claim compensation from the Company.

Article 111 A Director shall comply with laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed and the provisions of these Articles of Association. He/she shall owe fiduciary duties towards the Company, shall take measures to avoid conflicts between their own interests and those of the Company, and shall not use his/her power to obtain illegitimate benefits.

A Director shall owe fiduciary duties towards the Company in the following aspects:

(1) not to embezzle the properties of the Company or misappropriate the funds of the Company;

(2) not to deposit the funds of the Company in the accounts in his/her own name or other person's name;

(3) not to use his/her powers and positions to receive bribes or other illegal income;

(4) not to enter into contracts of conduct transactions with the Company, either directly or indirectly, without reporting to the Board of Directors or a general meeting and obtaining the approval of the Board of Directors or a general meeting through a resolution in accordance with the provisions of these Articles of Association;

(5) not to use his/her powers and position to obtain for himself/herself or others any business opportunities which should have been the business opportunities of the Company, except where he/she has reported to the Board of Directors or a general meeting and obtained the approval through a resolution passed at a general meeting, or the Company cannot make use of the business opportunities as stipulated by laws, administrative regulations or the provisions of these Articles of Association;

(6) not to be engaged for himself/herself or others in the same type of business which the Company is engaged in, without reporting to the Board of Directors or a general meeting and obtaining the approval through a resolution passed at a general meeting;

(7) not to encroach the commission generated as a result of any transaction between others and the Company;

(8) not to disclose any secrets of the Company without any authorization;

(9) not to prejudice the interests of the Company by using his/her related relationship;

(10) other fiduciary duties as provided for by laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed and the provisions of these Articles of Association.

Any income obtained by a Director in violation of the above provisions shall be attributable to the Company; if the Company suffers any losses, such Director shall be liable to compensate.

Where any of the close relatives of the Directors, any of the enterprises directly or indirectly controlled by the Directors or his/her close relatives, and any of the connected persons who has other connected relations with the Directors enters into a contract or conducts a transaction with the Company, the provisions in item (4) of the second paragraph of this Article shall apply.

Article 112 A Director shall comply with laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed and the provisions of these Articles of Association, shall owe duties of diligence towards the Company, and shall exercise his/her duties with all the reasonable care ordinarily expected of a manager in the best interests of the Company.

A Director shall owe duties of diligence towards the Company in the following aspects:

(1) to exercise the rights conferred on him/her by the Company in a prudent, careful and diligent manner to ensure that the business conduct of the Company is in compliance with the requirements of the state laws, administrative regulations and various economic policies and the business activities of the Company are not beyond the business scope as stipulated in the business licence;

(2) to give equal treatment to all shareholders;

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

(4) to confirm any regular reports of the Company by signing on such reports; to ensure that the information disclosed by the Company is true, accurate and complete;

(5) to provide relevant true information and materials to the Audit Committee and not to interfere with the duties and powers exercised by the Audit Committee;

(6) other duties of diligence as provided for by laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed and the provisions of these Articles of Association.

Article 113 The Directors shall, both collectively and individually, fulfill fiduciary duties and duties of skill, care and diligence to a standard at least commensurate with the standard established by Hong Kong law. Every Director must, in the performance of his/her duties as a Director:

(1) act honestly in good faith in the interests of the Company as a whole;

(2) act for proper purpose;

(3) be accountable to the listed issuer for the application or misapplication of its assets;

(4) avoid actual and potential conflicts of interest and duty;

(5) disclose fully and fairly his/her interests in contracts with the listed issuer; and

(6) apply such degree of skill, care and diligence as may reasonably be expected of a person of his/her knowledge and experience and holding his/her office as a Director of the listed issuer.

Article 114 If a Director fails to attend any two consecutive meetings of the Board of Directors in person or by appointing other Directors to attend such meetings on his/her behalf, such Director shall be deemed incapable of performing his/her duties, and the Board of Directors shall make recommendation to a general meeting for replacement.

Article 115 Without any legal authorization by these Articles of Association or the Board of Directors, no Director shall use his/her personal capacity to act on behalf of the Company or the Board of Directors. If any third parties reasonably believe that a Director acts on behalf of the Company or the Board of Directors while such Director acts in his/her own name, such Director shall make a prior statement as to his/her position and capacity.

Article 116 Where a Director causes damage to others due to the exercise of his/her duties, the Company shall be liable to compensate. Such Director shall also be liable to compensate due to his/her intentional misconduct or gross negligence.

If the Company suffers any losses due to the exercise of the duties by a Director in violation of laws, administrative regulations, departmental rules and the provisions of these Articles of Association, such Director shall be liable to compensate.

Article 117 Unless otherwise required by the Articles of Association, the methods and procedures to nominate Directors are as follows:

(1) the candidates for Directors may be nominated by the Board of Directors based on the number of Directors to be elected subject to the number specified by the Articles of Association;

(2) shareholder(s) individually or jointly holding one per cent or more of the shares of the Company may nominate the candidates for Directors, but the number of persons nominated shall comply with the provisions of the Articles of Association and shall not exceed the number of persons to be elected;

(3) before the convening of general meeting of the Company, candidates for Directors shall make written commitments stating their acceptance of the nomination, confirming that the information of candidates for Directors is true and complete, and undertaking to faithfully perform the duties of Directors if elected;

(4) the written notices of the intention to nominate a candidate for election as a Director and the acceptance of nomination by such candidate, shall be given to the Company no less than seven days prior to the date of convening the general meeting;

(5) the period given by the Company to relevant nominators and nominees to submit the aforesaid notices and documents (which period shall commence from the day following the date of despatch of the notice of general meeting) shall be no less than seven days.

Article 118 The Board of Directors or shareholders individually or collectively holding an aggregate of one percent or more of the issued shares of the Company may nominate the Independent Directors, provided that the number of nominees complies with the provisions of these Articles of Association and shall not exceed the number of persons to be elected.

The nominator provided in the preceding paragraph shall not nominate persons who are interested parties with him/her or other close members who have other circumstances that may affect their independent duty performance as candidates for Independent Directors.

Article 119 The nominator(s) of Independent Directors shall obtain the consent of the nominee prior to any nomination.

The nominator shall acquire all the personal particulars of his/her nominee as to their profession, education, job position, detailed work experiences, all part time jobs, whether there is material discredit and other bad records, and comment on his/her compliance with the independence requirement and other conditions for the post of independent director. The nominee shall make a public statement on his/her compliance with the independence requirement and other conditions for the post of independent director.

Candidates for Independent Directors shall, prior to the notice of general meeting, make a written undertaking that they agree to accept the nomination, promise the information about candidates publicly disclosed to be true, accurate and complete, and ensure that directors' duties will be effectively performed after being elected.

Article 120 The Remuneration and Nomination Committee of the Board of Directors shall review the qualifications of Independent Director nominees and form clear review opinions.

Prior to the convening of a general meeting for Independent Directors' election, the Company shall disclose relevant contents and submit the relevant information of all candidates for Independent Directors to stock exchanges. Such submitted information shall be true, accurate and complete.

Section 2 Independent Directors

Article 121 Independent Directors refer to the Directors who do not hold any other positions in the Company (other than as a Director of the Company), and have no direct or indirect interest relationship with the Company and its substantial shareholders and de facto controller, or other relationships that may affect their independent and objective judgment.

Independent Directors shall perform their duties independently, free from the influence of the Company and its substantial shareholders and de facto controller as well as other entities or individuals.

Article 122 Independent Directors shall have the obligation of fidelity and diligence to the Company and all shareholders, and shall conscientiously perform their duties by playing a role of participation in decision-making, supervision and balance, and professional consultation in the Board of Directors, safeguard the overall interests of the Company and protect the legal rights and interests of minority shareholders in accordance with laws, administrative regulations, the requirements of the Securities Regulatory Authorities and the provisions of these Articles of Association.

Article 123 The Company's Board of Directors shall include Independent Directors. There shall be no less than three Independent Directors and they shall constitute no less than one-third of the Board of Directors, including at least one accounting professional, and one Independent Director shall reside in Hong Kong.

The Company shall establish a system for Independent Directors and provide necessary support for Independent Directors to perform their duties according to laws.

Article 124 Apart from the qualifications and obligations of Directors provided in the relevant provisions of these Articles of Association, an Independent Director shall also meet the following criteria:

(1) having the qualifications to hold the position of director in a listed securities company in accordance with laws, administrative regulations and other relevant requirements;
(2) meeting the independence requirements as prescribed in these Articles of Association;
(3) having basic knowledge on the operation of a listed company and being familiar with relevant laws, regulations and rules;
(4) having more than five years of work experience in law, accounting, economics, or other fields that are necessary for performing the duties of an Independent Director;
(5) having good personal character, and no major dishonesty or other bad records;
(6) meeting other criteria as required under laws, administrative regulations, other relevant rules and these Articles of Association.

Article 125 Independent Directors of the Company shall maintain their independence. The following persons shall not serve as Independent Directors of the Company:

(1) persons working for the Company or its subsidiaries and their spouses, parents, children, and major social relations;
(2) natural person shareholders who directly or indirectly hold more than one percent of the Company's issued shares or who are among the Company's top ten shareholders and their spouses, parents and children;
(3) persons who work for shareholders who directly or indirectly hold more than five percent of the Company's issued shares or who work for the Company's top five shareholders, and their spouses, parents and children;
(4) persons serving in the subsidiaries of the Company's controlling shareholders and de facto controllers, and their spouses, parents and children;
(5) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in entities with which they have significant business dealings and their controlling shareholders or de facto controllers;
(6) persons providing financial, legal, consulting and sponsorship and other services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including, but not limited to, all members of the project team of the intermediaries providing the services, reviewers at all levels, persons signing the report, partners, directors, senior management and principals;
(7) persons who have been in the situations set forth in items (1) to (6) within the last twelve months;
(8) other persons who do not possess independence as stipulated by laws, administrative regulations, other relevant rules and these Articles of Association.

The subsidiaries of the Company's controlling shareholders and de facto controllers as mentioned in items (4) to (6) as provided in the preceding article exclude those enterprises which are controlled by the same state-owned asset management organization as the Company and do not constitute a connected relationship with the Company in accordance with the relevant provisions.

Independent Directors shall conduct an annual self-examination of independence and submit the self-examination to the Board. The Board shall evaluate and issue a special opinion on the independence of the incumbent Independent Directors on an annual basis, which shall be disclosed simultaneously with the annual report.

Article 126 An Independent Director shall, in principle, serve as an independent director in a maximum of three domestic listed companies, and can serve as an independent director in a maximum of two securities and fund business institutions and shall ensure that he/she has sufficient time and energy to effectively fulfill his/her duties as an independent director.

Article 127 The term of office of the Independent Directors is the same as those of other Directors of the Company. An Independent Director may be re-elected after the expiration of his/her term of office but shall not serve for more than six consecutive years.

Article 128 An Independent Director may be removed by the Company in accordance with legal procedures prior to the expiry of his/her term of office. In the case of any early removal of an Independent Director, the Company shall make a timely disclosure of the specific reasons and basis. In case that the Independent Director has an objection, the Company shall disclose in a timely manner.

Where an Independent Director does not comply with laws and regulations on qualifications or independence requirements for independent directors, he/she shall immediately cease to perform his/her duties and resign from his/her position. If such resignation is not tendered, the Board of Directors shall remove such Independent Director from office in accordance with regulations immediately when it is aware or is deemed to be aware of the occurrence of such fact.

Where an Independent Director resigns or is removed from his/her position as a result of involving in the circumstances stipulated in the preceding article, resulting in the proportion of Independent Directors to the Board of Directors or the special committee(s) thereunder not complying with relevant rules or the provisions of these Articles of Association, or the absence of an accounting professional among the Independent Directors, the Company shall complete the by-election within sixty days from the occurrence date of the aforesaid fact.

Article 129 An Independent Director may resign before the expiry of his/her terms. A resigning Independent Director shall deliver his/her written notice of resignation to the Board of Directors, and shall make a statement on any conditions related to his/her resignation or conditions which he/she considers the shareholders and creditors of the Company shall be brought to attention. The Company shall disclose the reasons for and concerns about the resignation of an Independent Director.

If the resignation of an Independent Director results in the proportion of Independent Directors to the Board of Directors or the special committee(s) thereunder not complying with relevant rules or the provisions of these Articles of Association, or the absence of an accounting professional among the Independent Directors, the Independent Director who intends to resign shall continue to perform his/her duties until the date on which a new Independent Director is appointed. The Company shall complete the by-election within sixty days from the date on which the Independent Director tenders his/her resignation.

Article 130 If at any time the number of the Independent Directors of the Company does not satisfy the number, qualifications or independence requirements under the laws, administrative regulations and other relevant rules, the Company shall notify the stock exchanges where the Company's shares are listed (if applicable) promptly, and shall state in the form of announcement the particulars and reasons.

Article 131 Independent Directors shall fulfil the following duties:

(1) to participate in the decision-making of the Board of Directors and provide explicit opinions on the matters discussed;

(2) to supervise matters as stated in Articles 23, 26, 27 and 28 of the Measures for the Administration of Independent Directors of Listed Companies that indicate potential material conflict of interest between the Company and its controlling shareholders, de facto controllers, Directors and senior management so as to ensure that the decisions of the Board of Directors are in line with the overall interests of the Company and to protect the legitimate rights and interests of minority shareholders;

(3) to provide professional and objective advice on the Company's operation and development, thereby facilitating the Board's decision-making to a higher level;

(4) other duties as stipulated by laws, administrative regulations, the requirements of the Securities Regulatory Authorities and these Articles of Association.

The Independent Director shall have the following particular powers in addition to those powers conferred upon him/her by the Company Law and other relevant laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed and these Articles of Association:

(1) to independently engage intermediaries to conduct audits, consultations or verifications on specific matters of the Company;
(2) to propose to the Board of Directors for holding extraordinary general meetings;
(3) to propose convening of Board meetings;
(4) to solicit rights from shareholders in a public way in accordance with the laws;
(5) to express independent opinions on matters that may jeopardize the rights and interests of the Company or minority shareholders;
(6) other functions and powers as stipulated by laws, administrative regulations, the requirements of the Securities Regulatory Authorities and these Articles of Association.

When exercising the functions and powers stated in items (1) to (3) as provided in the preceding article, Independent Directors shall obtain the consent of more than half of all Independent Directors.

The Company shall make disclosures in due course when Independent Directors exercise the special functions and powers. If the above functions and powers cannot be exercised normally, the Company shall disclose the details and reasons.

Independent Directors shall make any of the following opinions in respect of the independent opinions: consent; qualified opinion and the reasons hereto; adverse opinion and the reasons hereto; unable to present opinions and the obstacles hereto.

The Independent Director who fails to perform his/her duties diligently shall undertake the corresponding responsibilities.

The Company shall ensure that Independent Directors will enjoy the same right to information as other Directors. The Company shall provide necessary working conditions and personnel support to the Independent Directors in the performance of their duties, and designate the Board office, Secretary of the Board and other dedicated departments and dedicated personnel to assist Independent Directors in performing their duties. The Secretary of the Board shall ensure the unimpeded access to information between the Independent Directors and other Directors, senior management and other relevant personnel, and ensure that the Independent Directors have access to adequate resources and necessary professional advice when performing their duties.

Article 132 The Company shall regularly or irregularly convene meetings attended by all Independent Directors (hereinafter referred to as the Special Meetings of Independent Directors). The following matters shall be considered at the Special Meetings of Independent Directors:

(1) independently engaging intermediaries to conduct audits, consultations or verifications on specific matters of the Company;
(2) proposing to the Board of Directors for holding extraordinary general meetings;
(3) proposing convening of Board meetings;
(4) related-party transactions that shall be disclosed;
(5) the proposal for change or waiver of commitments by the Company and related parties;
(6) decisions made and measures taken by the board of directors of the acquired listed company in response to the acquisition;
(7) other matters as stipulated by laws, administrative regulations, the requirements of the Securities Regulatory Authorities and these Articles of Association.

The Independent Directors shall obtain the approval of a majority of all the Independent Directors when considering the above matters.

The Special Meetings of Independent Directors may study and discuss other matters of the Company as needed.

The Special Meetings of Independent Directors shall be convened and chaired by an Independent Director jointly elected by more than half of the Independent Directors; in the event that the convenor is not performing his/her duties or is unable to perform his/her duties, two or more Independent Directors may convene themselves and elect a representative to preside over the meeting.

Minutes shall be made for the Special Meetings of Independent Directors in accordance with the provisions, and the opinions of Independent Directors shall be set forth in the minutes, which shall be signed and confirmed by the Independent Directors.

The Company shall provide convenience and support for the convening of the Special Meetings of Independent Directors.

Section 3 Board of Directors

Article 133 The Company shall have a Board of Directors consisting of fifteen members, five of whom are Independent Directors and one of whom is an Employee Representative Director. The Board of Directors shall have one chairman and two vice chairmen who shall be elected and removed by more than one half of all the Directors. The chairman and vice chairman shall serve a term of three years and may be re-elected upon the expiry of their terms.

The Employee Representative Director of the Company shall be elected or changed by the Company's employees at an employee representative meeting or through other forms of democratic elections, without requiring consideration and approval at a general meeting.

Senior management members may serve concurrently as Directors; however, the total number of Directors who concurrently hold senior management positions and the Director who is an Employee Representative shall not exceed one-half of the total number of Directors of the Company.

Article 134 The Board of Directors shall exercise the following powers and duties:

(1) to convene a general meeting and submit work report to such meeting;
(2) to implement the resolutions of a general meeting;
(3) to decide on the operation plan and investment scheme of the Company;
(4) to determine the objectives of the Company's compliance management, assume responsibility for the effectiveness of compliance management of the Company and perform the corresponding duties of compliance management;
(5) to set the objectives, strategies and policies for the Company's comprehensive risk management and consolidated statement management, and fulfill the corresponding responsibilities in these areas;
(6) to prepare the draft annual budget and final accounts of the Company;
(7) to prepare the profit distribution plan and the loss recovery plan of the Company;
(8) to prepare the plan for the Company to increase or reduce its registered capital, issuance of corporate bonds and other securities and listing plans;
(9) to prepare plans of the Company with respect to mergers, divisions, dissolution or changes of the form of the Company;
(10) to prepare plans of the Company with respect to material acquisitions, acquisition of the Company shares;
(11) to appoint or remove the General Manager, the Chief Compliance Officer, the Chief Risk Officer and the Secretary of the Board nominated by the Chairman of the Board of Directors or Special Committees under the Board and decide the remunerations and rewards and punishments thereof; to appoint or remove the Chief Financial Officer, Chief Information Officer members of the Executive Committee and other senior management members nominated by the Chairman of the Board of Directors, Special Committees under the Board or the General Manager, and decide the remunerations and rewards and punishments thereof;

(12) to decide on the establishment of the internal management organizations of the Company;
(13) to determine the composition of special committees under the Board, and the chairman (convener) of each special committee;
(14) to establish a basic management system of the Company;
(15) to prepare plans to amend these Articles of Association;
(16) to file an application for bankruptcy on behalf of the Company;
(17) to prepare plans of the Company with respect to, among others, the material external investments, material assets acquisition and disposal, material guarantees and material connected transactions;
(18) to consider and approve the external investment matters that do not require approval by the general meeting as prescribed in these Articles of Association;
(19) to consider and approve the assets acquisition and disposal matters that do not require approval by the general meeting as prescribed in these Articles of Association;
(20) to consider and approve external guarantees that do not require approval at the general meeting as specified in these Articles of Association;
(21) to consider and approve the connected transactions that should be considered and approved by the Board of Directors pursuant to laws and regulations and the listing rules of the place where the Company shares are listed;
(22) to consider and approve the external donations by the Company which accumulatively do not exceed RMB twenty-five million (25,000,000) (inclusive) in one financial year;
(23) to decide on the Company's external investments, acquisition and disposal of assets, pledge of assets, external guarantees, trust management and other matters within the scope of authorization by a general meeting;
(24) to decide on mergers, divisions, establishments or revocations of branches;
(25) to manage the disclosure of information by the Company;
(26) to propose to the general meeting with respect to the engagement or replacement of the audit firm of the Company;
(27) to receive the work report of the General Manager of the Company and examine such work;
(28) to guide and supervise the Company to strengthen the cultural development, and to establish and improve a cultural system that can effectively support the Company' s strategy so as to realize their integration and development of such Company's strategy and cultural system;
(29) to exercise any other duties and powers specified in relevant laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company shares are listed or these Articles of Association, or authorized by the general meeting.

For the above matters of duties and powers exercised by the Board of Directors which is beyond the scope of authorization of the general meeting or any transaction or arrangement of the Company which shall be considered and approved by a general meeting according to the listing rules of the places where the shares of the Company are listed, shall be submitted to the general meeting for consideration and approval.

The Board of Directors shall define the limits of authority of external investment, acquisition and disposal of assets, external guarantees and connected transaction, and set up a stringent investigation and decision-making procedure. Specialists and professionals should be organized to assess the material external investment and seek shareholders' approval in a general meeting.

Article 135 The investigation and discussion of the Party Committee of the Company shall be the pre-procedures for major decisions of the Board and the Executive Committee. The Board and the Executive Committee shall consult the Party Committee of the Company before making decisions on important issues of the Company.

Article 136 The Board of Directors shall give explanations at the general meeting on the qualified auditing opinions issued by the certified public accountants to the Company's financial reports.

Article 137 The Board of Directors shall formulate the rules of procedures for meetings of the Board of Directors to ensure the implementation of the resolutions of the general meeting, improve the efficiency of work and ensure scientific decision-making. The rules of procedures for the Board of Directors shall be appended to these Articles of Association. It shall be formulated by the Board of Directors and approved by the general meeting.

Article 138 The chairman shall exercise the following functions and powers:

(1) to preside over general meetings and to convene and preside over meetings of the Board of Directors;
(2) to procure and check the implementation of resolution of the Board of Directors;
(3) to sign on securities issued by the Company;
(4) to sign on important documents of the Board of Directors;
(5) to exercise the functions and powers as the legal representative;
(6) other functions and powers authorized by the Board of Directors;
(7) other functions and powers stipulated in the laws, administrative regulations, departmental rules, normative documents, the listing rules of the places where the shares of the Company are listed and these Articles of Association.

Article 139 The vice chairman of the Company shall assist the chairman. When the chairman is unable to or does not carry out his/her duties, they shall be carried out by the vice chairman (if the Company has two or more vice chairmen, then these duties shall be carried out by the vice chairmen nominated by more than half of the Directors). If the vice chairman is unable to or does not carry out his/her duties, they shall be carried out by one Director nominated by more than half of the Directors.

Article 140 The Board meetings include regular Board meetings and extraordinary Board meetings.

Regular meetings of the Board of Directors shall be held at least four times a year. Meetings of the Board of Directors shall be convened by the Chairman of the Board by giving a notice to all Directors fourteen days before the meeting is held. The required period of notice of regular meetings of the Board of Directors may be waived upon unanimous consent of Directors in writing.

The chairman shall, convene and preside over the extraordinary meeting of the Board of Directors within ten days upon receipt of the proposal in any of the following circumstances:

(1) proposal of shareholders holding one-tenth or more of the voting rights;
(2) when the Chairman considers necessary;
(3) proposal of one-third or more of the Directors;
(4) proposal of more than half of the Independent Directors;
(5) proposal of the Audit Committee;
(6) proposal of the General Manager;
(7) under situations regulated by laws and regulations and the listing rules of the place where the Company is listed, or requested by securities regulatory departments.

The extraordinary Board meetings shall be convened by giving a notice in writing to all Directors five days before the meeting is held. The required period of notice of extraordinary meetings of the Board of Directors may be waived upon unanimous consent of Directors.

When a director has attended a meeting, he/she shall be deemed to have been served with a notice of the meeting if he/she fails to state he/she did not receive the notice of the meeting before or during the meeting.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board of Directors which the Board of Directors has determined to be material, the matter shall be dealt with by way of holding a Board meeting rather than written resolutions. Independent Directors who, and whose close associates, have no material interest in the transaction should be present at such Board meeting. Subject to the Articles of Association of the Company and the laws and regulations where the Company was incorporated, the Directors can be deemed as attending a Board meeting in person if they attended a meeting through electronic means such as telephone or video conference.

A Board meeting should be held to discuss the appointment and dismissal of the company secretary and the matter should be dealt with by holding a Board meeting rather than a written resolution.

Article 141 The Board meeting shall be convened by way of on-site meeting, video-conference or teleconference in principle. Should an on-site meeting, video-conference or teleconference be unable to be held in case of emergency or owing to force majeure or other special reasons, it can be held by means of written communication.

Where the Board meeting is convened by way of written communication, sufficient background information of the resolution required for consideration by the Directors shall be provided or supplemented according to the requirements of the Directors when giving the meeting notice, in order to fully listen to the view of Directors on the resolutions and circulate the views to all Directors until final resolutions are reached.

The regular Board meeting shall not be convened by way of written circulation.

Article 142 A notice of Board meeting shall include the following contents:

(1) the date, venue and duration of the meeting;
(2) the method of holding the meeting;
(3) the subject matters and topics of the meeting;
(4) the date of dispatch of the notice.

Article 143 The Board meeting shall not be held unless more than one half of the Directors are present.

Article 144 Except for matters set out in the second paragraph of Article 24 and items (8), (9) and (15) of Article 134 of these Articles of Association which are required to be approved by voting by two-thirds or more of the Directors, other matters can be approved by voting by more than half of the Directors as resolutions of the Board of Directors.

As for the voting on a Board resolution, each Director shall have one vote only.

Article 145 When a Director is related to companies or individuals which are the subject of a resolution to be decided at a Board meeting, the said Director shall promptly report the situation in writing to the Board of Directors. The related Director shall not vote on that resolution, and shall not vote on behalf of other Directors. Such Board meeting can be held if more than one half of the non-related Directors attend. Resolutions made by the Board meeting shall be passed by more than one half of the non-related Directors (resolutions involving the second paragraph of Article 24 and items (8), (9) and (15) of Article 134 of these Articles of Association shall be approved by voting by two-third or more of the non-related Directors). If less than three non-related Directors attend the Board meeting, the matter shall be submitted to the general meeting for consideration.

Article 146 The Board meeting shall vote by way of a show of hands, disclosed ballot or other means of voting approved by the regulatory authority. Any resolution made by video-conference, teleconference, facsimile or other communication equipment in the Board meeting shall be signed by the voting Directors.

Article 147 The Directors shall attend a Board meeting in person. If a Director is unable to attend for any reasons, he/she may appoint another Director in writing to attend on his/her behalf, one Director shall not accept appointment by more than two Directors to attend one Board meeting on his/her behalf, an Independent Director shall not appoint a Director who is not an Independent Director to attend the meeting on his/her behalf, the authorized Director shall present authorization letters and exercise the voting right to the extent of the authorization given. The authorization letter shall contain the name of the representative, the matters represented, scope of authorization and validity period. It shall be signed or sealed by the principal. If a Director does not attend a Board meeting in person and does not appoint a representative to attend the meeting, he/she shall be deemed to have waived the voting rights in the meeting.

Article 148 The Board of Directors shall keep minutes of its resolutions on the matters discussed at the meeting. The Directors, who attended the meeting and the recorder, shall sign on the minutes of that meeting.

The minutes of the Board meeting shall be kept as corporate archives for a period of no less than twenty years.

The Directors shall be responsible for the resolutions of the Board of Directors. Where a resolution of the Board of Directors is in violation of laws, administrative regulations or these Articles of Association, thereby causing serious losses to the Company, the Directors who took part in the resolution shall be liable for the damages suffered by the Company. However, where a Director can prove that he/she expressed his/her opposition to such resolution when it was put to the vote, and that such opposition was recorded in the minutes of the meeting, the Director shall be relieved from such liability.

Article 149 The minutes of the Board meeting shall include:

(1) the date, venue and convener of the meeting;
(2) the names of the Directors attending the meeting and the names of the Directors (proxies) appointed by other Directors to attend the meeting;
(3) the agenda of the meeting;
(4) the main points of the speeches of the Directors;
(5) the methods and results of the voting for each resolution (the voting results shall state the number of votes voting for, against, or in abstention).

Section 4 Special Committees under the Board

Article 150 The Board of Directors consists of special committees, namely the Development Strategy Committee, Risk Management Committee, Audit Committee and Remuneration and Nomination Committee. All members of the special committees shall be Directors.

The convener of Audit Committee and Remuneration and Nomination Committee shall be Independent Directors, of which the convener of the Audit Committee shall also be an accounting professional.

Audit Committee shall consist of at least three members, all of whom shall be Directors who are not senior management of the Company and more than half of the members shall be Independent Directors. There shall be at least one Independent Director who shall be an accounting professional with five years or more of working experience in accounting. The Employee Representative who is a member of the Board of Directors may become a member of the Audit Committee. Members of the Audit Committee are elected by the Company's Board of Directors. More than half of the members of the Remuneration and Nomination Committee shall be Independent Directors.

All special committees shall be accountable to the Board of Directors and may submit proposals to the Board of Directors in respect of the specific matters, which they are responsible for. The Board of Directors shall seek advice of the special committees before making any decision on matters related to the duties of the special committees. Each special committee shall submit its annual work report to the Board of Directors. The Board is responsible for formulating the rules of procedures for the special committees and regulating the operation of the special committees.

Article 151 The Development Strategy Committee is responsible for researching and making recommendations on the Company's long-term development strategy and material investment decision, its main duties are as follows:

(1) to understand and oversee the overall operation of the Company;
(2) to understand, analyze and monitor the current situation of the international and domestic industry;
(3) to understand and monitor the relevant national policies;
(4) to understand the culture construction of the Company, evaluate the operational status of the integration and development of the Company's culture and strategy, and improve the compatibility of the Company's culture and developmental strategy;
(5) to study the short-term, medium-term and long-term development strategies of the Company or the relevant issues;
(6) to provide consultancy advice on the Company's long-term development strategy, major investment, reform and other major decisions;
(7) to consider and approve the special study report on the development strategy;

(8) to conduct research on the Company's sustainable development/ESG management and provide consultation and recommendations for decision-making, encourage the Company to strengthen communication with stakeholders on important sustainable development/ESG issues, review the Company's sustainable development/ESG report and provide suggestions to the Board of Directors;
(9) to publish the daily research report in a regular or irregular manner;
(10) other duties determined by the Board of Directors and other duties required by the listing rules or regulatory requirements of the places where the Company's shares are listed.

Article 152 The Risk Management Committee shall be mainly responsible to monitor the overall risk management of the Company and control such risks within reasonable limits, so as to ensure that the Company may implement effective risk management plans with respect to various risks in the business related activities of the Company. Its main duties are as follows:

(1) to review and advise on the general objectives and basic policies of compliance management and risk management;
(2) to clarify the overall strategic arrangement and resource allocation for the Company's risk management and consolidated statement management, and ensure they are consistent with the Company's policies in these areas;
(3) to review and advise on the establishment and duties of the institution for compliance management and risk management;
(4) to evaluate the risks relating to major decisions to be considered and approved by the Board and the solutions for such major risks, and to provide advice in this regard;
(5) to define the limits of major risks;
(6) to supervise, examine and make recommendation to the Board on relevant risk management policies;
(7) to review and approve the compliance reports and risk evaluation reports required to be considered and approved by the Board, and providing advice in this regard;
(8) other duties to be determined by the Board of Directors and other duties required by the listing rules or regulatory requirements of the places where the Company's shares are listed.

The Board of Directors shall bear ultimate responsibility for ensuring the effectiveness of the compliance management, risk management, consolidated statement management and internal control systems.

Article 153 The Audit Committee is responsible for the audit and disclosure of the Company's financial information, and the supervision and evaluation of internal and external audit work and the Company's internal control, and its main duties are as follows:

(1) to supervise and evaluate external audit work, to propose to engage or dismiss the external auditor of the Company, and to supervise the practice of external auditors;
(2) to supervise the annual audit and make judgment on the truthfulness, accuracy and completeness of the audited information contained in the financial reports before submitting the reports to the Board;
(3) to supervise and evaluate internal audit work, to be responsible for the coordination between the internal audit and the external audit;
(4) to review and approve the financial information of the Company and its disclosure;
(5) to supervise and evaluate the Company's internal control;
(6) to supervise and inspect the performance of duties by the Board of Directors and senior management in respect of risk management and consolidated statement management, and procure them to rectify;
(7) to exercise the functions and powers of the Supervisory Committee as prescribed by the Company Law;
(8) other duties determined by the Board of Directors and other duties required by the listing rules or regulatory requirements of the places where the Company's shares are listed.

The following matters shall be submitted to the Board of Directors for consideration upon obtaining approval from more than half of members of the Audit Committee:

(1) disclosing financial information and internal control evaluation reports in financial and accounting reports and regular reports;
(2) engagement or dismissal of the accounting firm that undertakes the audit business of the Company;
(3) engagement or dismissal of the chief financial officer of the Company;
(4) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;
(5) other matters as required by laws, administrative regulations, the requirements of the Securities Regulatory Authorities and these Articles of Association.

Article 154 The Audit Committee shall convene its meeting at least once a quarter. Extraordinary meeting may be convened when two or more members so propose, or when the convener deems it necessary. The meeting of the Audit Committee shall be held with two-thirds or more of the members present.

A resolution of the Audit Committee shall be passed by more than half of the members of the Audit Committee.

As for the voting on a resolution of the Audit Committee, each member shall have one vote only.

Minutes shall be made for the resolutions of the meetings of the Audit Committee in accordance with the provisions, which shall be signed by the members of the Audit Committee present at the meeting.

Article 155 The Remuneration and Nomination Committee is mainly responsible for formulation of the appraisal standards of the Company's Directors and the senior management, as well as conducting appraisal; formulation and examination of remuneration policy and proposal for the Directors and the senior management (including but not limited to performance evaluation standards, procedures and major evaluation systems, major programs and systems of incentives and penalties); formulating standards and procedures for the selection of Directors and senior management and selecting and reviewing the candidates for Directors and senior management and their qualifications, and making recommendations on the following matters to the Board of Directors:

(1) the remuneration of Directors and senior management;
(2) the formulation or change of share incentive schemes, employee stock ownership plans, granting of entitlements to participants, and fulfilment of exercise conditions;
(3) the arrangement of stock ownership plans at subsidiaries to be spun off for Directors and senior management;
(4) nomination or appointment and removal of Directors;
(5) appointment or dismissal of senior management;
(6) other duties determined by the Board of Directors and other duties required by the listing rules or regulatory requirements of the places where the Company's shares are listed.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Nomination Committee, the opinions of the Remuneration and Nomination Committee and the specific reasons therefor shall be recorded in the resolutions of the Board of Directors and be disclosed.

Article 156 Each special committee shall formulate its own rules of procedures to perform its respective duties. The rules of procedures shall be considered and approved by the Board of Directors. Each special committee shall perform its respective duties in accordance with such rules of procedures.

Article 157 The special committees may engage external professionals to provide services and the reasonable expenses incurred shall be borne by the Company.

Section 5 Secretary of the Board

Article 158 The Company shall have a Secretary of the Board. The Secretary of the Board shall be one of the senior management and accountable to the Board of Directors.

Article 159 The Secretary of the Board shall be a natural person with prerequisite professional knowledge and experience and be engaged or dismissed by the Board of Directors. The Secretary of the Board serves a term of three years and may serve consecutive terms if re-appointed upon the expiration of his/her term. The provisions in the Articles of Association relating to the circumstances in which a person is not allowed to serve as a Director of the Company shall apply to the Secretary of the Board.

Article 160 The main duties of Secretary of the Board are:

(1) to prepare the Company's general meetings and Board meetings, keep the documents and sort out the information of the Company's shareholders;
(2) to ensure that the Company has a complete set of constitution documents and records;
(3) to ensure that the Company prepares and submits the reports and documents required by competent authorities according to the law;
(4) to ensure that the register of shareholders of the Company is properly created and the persons entitled to obtain the relevant records and documents of the Company obtain such records and documents promptly;
(5) to handle the matters of information disclosure;
(6) other duties required by laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the Company's shares are listed or these Articles of Association.

Article 161 Any Directors or senior management members of the Company may serve concurrently as the Secretary of the Board of the Company. The Certified Public Accountants of the accounting firm and the lawyers of the law firm engaged by the Company shall not serve concurrently as the Secretary of the Board of the Company.

In the case of a Director serving concurrently as the Secretary of the Board of the Company, if an act should be made separately by a Director and the Secretary of the Board of the Company, the Director serving concurrently as the Secretary of the Board of the Company shall not make such an act in both capacities.

CHAPTER 7 BUSINESS MANAGEMENT ORGANIZATION OF THE COMPANY

Section 1 Executive Committee

Article 162 The Company established the Executive Committee to operate and manage its business. The Executive Committee consists of the Chairman and vice chairman (the vice chairman served by an Executive Director) of the Board of Directors, the General Manager, the Secretary of the Board, the Chief Financial Officer and other members of the senior management.

Article 163 The Executive Committee of the Company shall, according to the resolutions of the Board of Directors or the relevant requirements, perform the following duties:

(1) to carry out the operational guidelines of the Company, and determine major matters in relation to the operation and management of the Company;

(2) to implement the objectives of the Company's compliance management, risk management and consolidated statement management, assume responsibility for the Company's compliant operation, comprehensive risk management and consolidated statement management, and perform the corresponding management duties;

(3) to draft the financial budget plan of the Company, and submit the same to the Board of Directors for formulation;

(4) to draft the final accounting plan, the profit distribution plan, and loss recovery plans of the Company, and submit the same to the Board of Directors for formulation;

(5) to draft the plan to change the registered capital, and the plan to issue bonds, of the Company, and submit the same to the Board of Directors for formulation;

(6) to draft the plan for the merger, division, alteration or dissolution of the Company, and submit the same to the Board of Directors for formulation;

(7) to draft the plan for the operation, investment, financing or assets disposition of the Company, and submit the same to the Board of Directors for approval in accordance with corresponding rights;

(8) to draft the plan for the establishment of an internal management organization of the Company, and submit the same to the Board of Directors for approval;

(9) to decide the appointment and dismissal of the management (other than the Directors and senior management of the Company);

(10) to draft and approve the remuneration plan and the award and punishment plan for employees (other than Directors and senior management of the Company);

(11) to implement the requirements of cultural development in the industry, promote the close integration of the Company's culture development and operation management, and realize the integration of the Company's strategy and culture;

(12) to exercise other powers granted by the Board of Directors.

The Company drafts the rules of procedure of the Executive Committee, which shall be approved by the Board of Directors of the Company.

Article 164 The meeting of the Executive Committee of the Company shall be proposed by the Chairman of the Board of Directors, or proposed by the General Manager and other members of the committee and confirmed by the Chairman of the Board of Directors. It shall be convened by the Chairman of the Board of Directors. The meeting shall be held only when two-thirds or more of the members are present.

Article 165 The issues and resolutions presented at the meeting of the Executive Committee of the Company shall be fully justified by the competent leaders and the relevant departments before the meeting. The issues and resolutions shall contain specific opinions or options and shall be submitted to the Executive Committee three working days prior to the meeting. In case of emergencies, the above procedures can be appropriately simplified.

Article 166 The resolution of the meeting shall, in principle, be passed through an oral voting. However, in case of disagreement, it shall adopt a voting by a show of hands and shall be passed with more than one half of all members. For important matters of resolution, if necessary, the signature procedures shall be performed. After the resolution is passed, the key content shall not be altered. Where there is a need for a major adjustment, it shall be approved by more than one half of all members.

If the resolution pending for voting involves the interests of the members of the meeting, such person concerned shall abstain from voting.

Article 167 The minutes of the meeting shall be kept for the meetings of the Executive Committee of the Company and the meeting summary shall be compiled. The meeting summary shall be issued by the Chairman of the Board of Directors.

Section 2 Senior Management

Article 168 The Company shall have one General Manager who shall be appointed or dismissed by the Board of Directors. The General Manager shall serve for a term of three years. The General Manager may be re-appointed.

Article 169 The senior management of the Company shall comply with the requirements in respect of the requirements for positions of senior management of the Securities Regulatory Authorities and relevant policies and regulations. The appointment and removal of the senior management by the Company shall be reported to and filed with the Securities Regulatory Authorities.

Article 170 The circumstances prohibiting a person from serving as a Director and the management measures for Directors' departure as contained in these Articles of Association shall also be applicable to any senior management.

The fiduciary duties and duties of diligence of the Directors as contained in these Articles of Association shall also be applicable to any senior management.

Article 171 A person who serves any administrative roles other than a director in the controlling shareholder or de facto controller of the Company, shall not serve as senior management member of the Company.

A senior management member of the Company may at most hold the office of Director concurrently in two companies in which the Company has shareholding but shall not hold an office other than those aforesaid in such companies. Senior management members of the Company shall not engage themselves concurrently in any other profit-making organizations or other operation activities other than the companies in which they have a shareholding or controlling interest. If there are any other provisions under relevant laws, regulations and as required by the CSRC, such provisions shall prevail.

The senior management members of the Company shall be only entitled to salaries paid by the Company, and the controlling shareholders shall not pay the salaries on behalf of the Company.

Article 172 The General Manager shall be accountable to the Board of Directors and exercise the following duties:

(1) to take charge of the operation and management of the Company, organize the implementation of resolutions of the Board of Directors and report to the Board of Directors;
(2) to organize the implementation of the annual business plan and investment scheme of the Company;
(3) to carry out the financial budget of the Company;
(4) to draft the Company's basic management system;
(5) to formulate specific rules and regulations of the Company;
(6) to propose to the Board of Directors for the appointment or dismissal of other senior management other than those that shall be nominated by the Chairman of the Board of Directors;
(7) to propose to convene extraordinary meetings of the Board of Directors;
(8) to carry out the Company's risk control system, and to ensure the Company complies with the risk control index prescribed by the Securities Regulatory Authorities;
(9) to perform other powers and duties authorized by the Articles of Association or the Board of Directors.

The General Manager of the Company may present at the Board meetings but shall have no voting right if he/she is not a Director.

Article 173 The General Manager shall perform his/her duties as stipulated in the laws, administrative regulations, departmental rules, normative documents, the listing rules of the places where the shares of the Company are listed, these Articles of Association and as authorized by the Board of Directors, commence various external activities on behalf of the Company within the authorized scope, and assume the leadership responsibilities in respect of the compliance of the operational activities of the Company and the safety of customers' assets.

Article 174 The General Manager shall set up an effective internal control and risk management system in the course of daily operation and management of the Company to ensure the implementation of various rules and systems. The General Manager shall proactively maintain the effective operation of the control system and tackle and rectify the deficiencies or problems arising from the internal control in a timely manner. The General Manager shall be responsible for ineffective internal control and inability to tackle or rectify deficiencies and problems arising from the internal control promptly.

Article 175 The General Manager may resign before the expiration of his/her terms of office. The precise resignation procedure and method for General Manager are set out in the service contracts entered into between the General Manager and the Company.

Article 176 Where a senior management causes damage to others due to the exercise of his/her duties, the Company shall be liable to compensate. Such a senior management shall also be liable to compensate due to his/her intentional misconduct or gross negligence.

If a senior management violates any laws, administrative regulations, departmental rules, normative documents, the listing rules of the places where the shares of the Company are listed or the provisions of these Articles of Association in the course of performing his/her duties of the Company and causes losses to the Company, he/she shall be liable for compensation.

Senior management shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the senior management of the Company fails to faithfully perform their duties or violates their fiduciary duty and causes damage to the interests of the Company and the shareholders of public shares, they shall be liable for compensation in accordance with the law.

Section 3 Chief Compliance Officer

Article 177 The Company formulates the basic compliance management system, which shall be implemented upon the consideration and approval of the Board of Directors.

Article 178 The Company shall have one Chief Compliance Officer, who shall be appointed, dismissed and appraised by the Board of Directors. For the appointment of Chief Compliance Officer, the Company shall file his resume and the relevant certification materials to the relevant local office of the CSRC. The Chief Compliance Officer of the Company shall take office upon the approval by the relevant local office of the CSRC. The dismissal of the Chief Compliance Officer by the Company before the expiry of his term of office shall be supported by proper reasons. A written report on the reasons for the dismissal shall be submitted to the local office of the CSRC within 10 working days before the relevant board meeting is convened.

The proper reasons referred to in the preceding paragraph include situations such as the application for resignation by the Chief Compliance Officer himself, or changes as ordered by the CSRC and its local office, or where there is evidence showing that he is unable to perform his duties properly or has failed to act diligently.

Article 179 Any removal of the Chief Compliance Officer by the Company shall be determined by the Board of Directors and notified to the Chief Compliance Officer. If the Chief Compliance Officer considers the removal to be insufficiently justified, he has the right to file a petition to the Board of Directors. The relevant notices, decisions and petition shall be recorded in writing for record and inspection.

If the petition of the Chief Compliance Officer is rejected by the Board of Directors, the Chief Compliance Officer may file a petition to the CSRC and its local office or apply to the Securities Association of China for mediation.

Article 180 If the Chief Compliance Officer is unable to perform his duties or is absent, his duties shall be performed by the Chairman or the chief operation and management officer of the Company. A written report shall be submitted to the relevant local office of the CSRC within 3 working days from the date of such determination. The period during which the performance of the Chief Compliance Officer's duties is substituted by another person shall not exceed six months. The Company shall appoint a qualified person under relevant regulatory requirements as the Chief Compliance Officer during such period. During such period, the person who performs the duties of the Chief Compliance Officer shall not directly manage any business departments performing duties that conflict with the managerial duties of the Chief Compliance Officer.

The Chief Compliance Officer may tender an application for resignation to the Board of Directors with one month's advance notice and shall also report such application to the relevant local office of the CSRC. The Chief Compliance Officer shall continue to perform his duties until the resignation application is approved.

Article 181 The Chief Compliance Officer shall familiarize himself with relevant laws, regulations and standards, be honest and trustworthy, familiarize himself with securities and fund businesses, possess the expertise and skills required for compliance management, and be equipped with the following qualifications:

(1) he/she has 10 years or more of experience in securities and fund businesses and has passed the competence examination for compliance management personnel of the Securities Association of China; or he/she has 5 years or more of experience in securities and fund businesses and has passed the legal professional qualification examination; or he/she has 10 years or more of work experience in the Securities Regulatory Authorities and self-disciplinary organizations of securities and fund industries;

(2) he/she has not been imposed with administrative penalties or material administrative regulatory measures by financial regulators in the last three years;

(3) other conditions prescribed by the CSRC.

Article 182 The Chief Compliance Officer, who is a member of senior management of the Company, shall examine, supervise and inspect the compliance concerning the operation, management and practice conduct of the Company and its personnel. The Chief Compliance Officer shall be internally accountable to the Board of Directors of the Company and externally accountable to the Securities Regulatory Authorities, and shall perform the following duties:

(1) to organize the formation of the basic compliance management system and other compliance management systems and supervise the implementation of such systems by the Company;

(2) to advise the Board of Directors or Executive Committee of any changes to the laws, regulations and standards in a timely manner and urge the relevant departments to assess the effect of such changes on compliance management and to amend and optimize relevant rules and business processes;

(3) to conduct compliance examinations on the Company in respect of its internal management system, major decisions, new products and new business schemes, and issue written compliance examination opinions; and conduct compliance examinations and sign off on the compliance review advice on application materials or reports submitted by the Company in accordance with the requirements of the Securities Regulatory Authorities; to submit the relevant matters to the Board of Directors for determination where the Company does not adopt the compliance review advice from the Chief Compliance Officer;

(4) to supervise the Company and staff in respect of the compliance of their operation, management and practice, and make regular or irregular examinations in accordance with the requirement of the Securities Regulatory Authorities and the rules of the Company;

(5) to assist the Board of Directors and the Executive Committee in the implementation of the conflict management systems, anti-money laundering system and information firewall system; to provide compliance advice and organizing compliance training in accordance with the requirements of the Company to senior management, each department and branch and each subsidiary; to supervise the relevant departments of the Company in handling the reports and complaints regarding the Company and its staff in respect of their behaviors in violation of laws and regulations;

(6) to report on the compliance of the Company's operation and management and the implementation of the compliance management system to the Board of Directors and the General Manager as required by the Company;

(7) to report to the Board of Directors and the General Manager in a timely manner and in accordance with the requirements of the Articles of Association when the Company's conduct is identified to be in breach of the relevant laws and regulations or there are potential compliance risks; to provide advice on remedies, and procure the Company to rectify and report to the local office of the CSRC in time; to report directly to the local office of the CSRC if the Company fails to report in time; to report to relevant self-disciplinary organizations in the event of violation of industrial standards and self-disciplinary rules;

(8) to deal with matters on which the Securities Regulatory Authorities and the self-disciplinary organizations require investigation in a timely manner; to cooperate with the Securities Regulatory Authorities and the self-disciplinary organizations in their inspection or investigation of the Company; to follow up and evaluate the implementation of the supervisory opinions and requirements;

(9) to keep for inspection, the documents and information in relation to the duties performed, such as issued compliance review advice, expressed compliance consultancy advice, signed documents of the Company, original drafts on compliance review; to record the details of duties performed;

(10) to perform other duties stipulated by the relevant laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the securities market under which the Company's shares are listed and the Articles of Association.

Article 183 The Company shall ensure that the Chief Compliance Officer is entitled to exercise the right to information and the right to investigate as necessary for the performance of his duties.

The Company shall give prior notice to the Chief Compliance Officer where a Board meeting, meeting of the Executive Committee or other important meetings of the Company as well as those meetings which the Chief Compliance Officer requests to attend or observe, is to be convened. The Chief Compliance Officer has the right to attend or observe the relevant meetings and inspect and reproduce relevant documents and information as necessary in performing his duties.

In performing his duties, the Chief Compliance Officer has the right to request relevant personnel of the Company to provide explanations on relevant matters where necessary and consult the intermediaries which provide audit and legal services to the Company.

The Chief Compliance Officer may, on behalf of the Company, directly engage external professional institutions or persons to assist him in carrying out his duties as necessary, and the expenses shall be borne by the Company.

Article 184 The Company shall ensure the independence of the Chief Compliance Officer. The shareholders, Directors and senior management of the Company shall not give instructions directly to the Chief Compliance Officer or interfere with his duties by violating the duties and procedures as stipulated. The Directors and senior management of the Company shall support and cooperate with the Chief Compliance Officer on his work and shall not restrict or prevent the Chief Compliance Officer in performing his duties.

Article 185 The Chief Compliance Officer shall submit compliance reports to the Board of Directors and the Securities Regulatory Authorities on a regular basis.

The Company shall submit an annual compliance report to the Securities Regulatory Authorities while submitting an annual report.

CHAPTER 8 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS AND SENIOR MANAGEMENT MEMBERS OF THE COMPANY

Article 186 A Director and senior management of the Company shall meet the following basic criteria:

(1) being of honesty, integrity and good behaviour;

(2) being familiar with securities and funds laws, regulations, the requirements of the Securities Regulatory Authorities and the listing rules of the place where the Company is listed;

(3) meeting such years of work experience requirements in securities, funds, finance, law, accounting and information technology as provided for by the CSRC;

(4) possessing the management experience and the operation and management ability that commensurate with the position to hold;

(5) for proposed senior management of the Company, previously holding a position superior to the departmental head of a securities and fund business institution for not less than 2 years, or previously holding a position superior to the departmental head of a financial institution for not less than 4 years, or having management experience in an equivalent position;

(6) other criteria as provided for by laws, regulations, the requirements of the Securities Regulatory Authorities, the listing rules of the place where the Company is listed and the provisions of these Articles of Association.

The proposed chairman, senior management and other persons responsible for business management of the Company shall also meet the conditions for securities fund practitioners.

The proposed person-in-charge of compliance, person-in-charge of risk control and person-in-charge of information technology of a securities and fund business institution shall also meet other conditions as provided for by the Securities Regulatory Authorities.

Article 187 Apart from the appointment conditions as prescribed in other articles of these Articles of Association, a person may not serve as a Director and senior management member of the Company if any of the following circumstances apply:

(1) the circumstances specified in Article 178 of the Company Law, the second paragraph of Article 124 and the second and third paragraph of Article 125 of the Securities Law, and Article 15 of Securities Investment Fund Law of the People's Republic of China (《中華人民共和國證券投資基金法》);

(2) a person who has committed an offence of endangering national security, terrorism, corruption, bribery, infringement of property, misappropriation of property, crime of underworld or sabotaging social economic order and has been punished for committing such offence; or who has been deprived of his/her political rights;

(3) a person who is subject to administrative penalties by financial regulatory departments or prohibited by the CSRC to participate in the securities market due to material illegal or improper behavior, where less than 5 years have elapsed since the date of completion of the penalties;

(4) a person whose fund practicing qualification has been revoked by the CSRC or fund practicing qualification has been cancelled by the fund industry association in the past 5 years;

(5) a person who is a former legal representative and principal person in charge of the operation and management of an institution that has been taken over, cancelled, declared bankrupt, revoked its business license or ordered to close, where less than 5 years have elapsed since the date of the company was taken over, cancelled, declared bankrupt, revoked its business license or ordered to close, unless it is proved that such person is not personally liable for such issues;

(6) a person who is publicly declared by the CSRC or a stock exchange as unfit to serve as a director or senior management member of a listed company, or imposed on disciplinary sanction by an industry association of being unsuitable for engaging in the relevant business, and the relevant limitation period has not expired;

(7) a person who has been subject to an investigation by administrative authorities or an investigation by judicial authorities for suspected illegal crimes, and such case has not yet been closed to form a final opinion;
(8) a person who is not eligible for enterprise leadership according to laws and administrative regulations;
(9) a non-natural person;
(10) other circumstances as determined by the Securities Regulatory Authorities in compliance with laws;
(11) other contents as prescribed by laws, administrative regulations, departmental rules, normative documents or relevant rules of the Securities Regulatory Authorities where the Company is listed.

Where the Company elects, appoints or employs its Directors or senior management members in violation of the provisions of the preceding paragraph, such election, appointment or employment shall be invalid. Where, during his/her term of office, a Director or senior management member is found to be a person as specified in the preceding paragraph of this Article, the Company shall remove him/her from office and suspend his/her performance of duties.

Article 188 The validity of an act carried out by a Director and senior management members of the Company on its behalf shall, as against a bona fide third party, not be affected by any non-compliance in his/her office, election or any defect in his/her qualification.

Article 189 The Directors and senior management of the Company shall comply with laws, regulations and relevant requirements of the Securities Regulatory Authorities, earnestly perform their duties, and comply with the following professional code of conduct:

(1) having a good sense of compliance with laws and regulations, consciously resisting illegal activities, and cooperating with the Securities Regulatory Authorities to perform regulatory duties in accordance with the laws;
(2) being honest and trustworthy, incorruptible and self-disciplined, competing fairly, abiding by professional ethics and industry norms, and fulfilling the written commitments to the Securities Regulatory Authorities;
(3) performing duties earnestly and diligently, effectively safeguarding the legitimate rights and interests of investors, treating investors fairly, and effectively preventing and properly handling conflicts of interest;
(4) being prudent and cautious, firmly establishing risk awareness, being independent and objective, and being free from illegal interference by others;
(5) other professional code of conduct stipulated by the Securities Regulatory Authorities.

Article 190 The Directors and senior management of the Company shall not engage in the following acts:

(1) taking advantage of his/her position to obtain illegitimate benefits for himself/herself or others;
(2) engaging in activities that have conflict of interest with his/her performance of duties;
(3) engaging in illegitimate transactions or transfer of interests;
(4) embezzling or misappropriating the assets of the Company or its customers or fund properties;
(5) privately accepting customers' engagement for securities and fund investment;
(6) promising gains or bearing losses to customers in violation of regulations;
(7) disclosing undisclosed information obtained by taking advantage of his/her position, and using such information to engage in, or expressly or impliedly instruct others to engage in relevant trading activities;
(8) providing funds or securities to customers in violation of regulations, or providing intermediaries, guarantees or other facilities for customers' financing in violation of regulations;
(9) abusing his/her power, neglecting his/her duties, and failing to perform his/her duties in accordance with regulations;
(10) other acts prohibited by laws, regulations and requirements of the Securities Regulatory Authorities.

Article 191 Where the Directors or senior management members 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 the service contracts between the Company and the Directors and senior management members), 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 matter therefor is otherwise subject to the approval of the Board of Directors.

Unless the interested Directors and senior management members of the Company discloses his/her interests in accordance with the preceding paragraph of this Article and the contract, transaction or arrangement is approved by the Board of Directors at a meeting in which the interested Directors or senior management members of the Company are not counted as part of the quorum and refrains from voting, such contract, transaction or arrangement 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 such Directors or senior management members.

The Directors or senior management members of the Company are deemed to be interested in a contract, transaction or arrangement in which the associate of such Directors and senior management members is interested.

In addition to exceptions permitted under the Main Board Listing Rules and applicable regulations, a Director shall not vote on any contract, transaction, arrangement or any proposal in which he/she or any of his/her close associate (as defined in the applicable Main Board Listing Rules effective from time to time) has a material interest nor shall he/she be counted in the quorum present at the meeting when determining whether there is a quorum or not.

Article 192 Where the Directors or senior management members of the Company give 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 disclosure 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 execution of the relevant contract, transaction or arrangement is first taken into consideration by the Company.

Article 193 The Company shall not pay taxes for its Directors or senior management members in any manner.

Article 194 The Company shall neither directly or indirectly make a loan to or provide any security for the Directors or senior management members of the Company or its parents, nor make a loan or provide any security for any of their respective associates.

The foregoing provision is not applicable in 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 its Directors and senior management members to meet expenditure incurred or to be incurred by him/her for the purpose 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;

(3) if the ordinary business scope of the Company includes the lending of money and provision of security, the Company may make a loan to or provide a security to the relevant Directors and senior management members or their respective associates on normal commercial terms.

Article 195 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 196 A security for the repayment of a loan, which has been provided by the Company acting in breach of the first paragraph of Article 194 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 the Directors and senior management members of the Company or its parents and the lender of such funds is not informed;

(2) the collateral, which has been provided by the Company has already been legally disposed of by the lender to a bona fide purchaser.

Article 197 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/her obligations.

Article 198 In addition to any rights and remedies provided by the laws and administrative regulations, where the Directors and senior management members of the Company breach the duties which he/she is liable to the Company for, the Company has the right to adopt the following measures:

(1) to demand such Directors or senior management members to compensate 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 Directors or senior management members, or between the Company and a third party (where such third party knows or should have known that such Directors or senior management members on behalf the Company have breached his/her duties liable to the Company);

(3) to demand such Directors or senior management members to turn in profits gained as a result of the breach of his/her duties;

(4) to recover any monies, which should have been received by the Company but were received by such Directors or senior management members instead, including (but without limitation to) commissions;

(5) to demand repayment of interest earned or which may have been earned by such Directors or senior management members on monies that should have been paid to the Company.

CHAPTER 9 INTERNAL CONTROL

Article 199 The Company shall establish a sound compliance system of the Company in accordance with the relevant provisions of the laws, administrative regulations and the Securities Regulatory Authorities, which clarifies the responsibilities of the compliance personnel, and supervises and inspects the compliance of the Company's operation and management behaviours.

The Company insists on full compliance within the Company, led by the management to achieve compliant operation, which includes the creation of value in a compliant manner. Compliance is the fundamental concept for the survival of the Company. The Company shall initiate and push forward the establishment of compliance culture, nurture compliance awareness of the staff and enhance pride and level of professionalism of the personnel in charge of compliance management.

The Company and all its staff members shall keep integrity in business and related activities, strictly abide by the laws and regulations, the provisions of the CSRC, and industry self-regulation rules, comply with social ethics, business ethics, professional ethics and code of conduct, be committed to fair competition, compliant operations, loyalty and diligence, honesty and credibility and refrain from offering unjustified benefits or seeking such benefits.

The integrity management goal of the Company is, through the establishment of the integrity risk prevention and control system, to achieve the professional integrity of all the staff members and the compliance management objectives of the Company, protect the legal rights and interests of investors, and ensure its sustainable and healthy development by specifying the code of conduct on the professional integrity, implementing the professional integrity related risks prevention and control measures, supervising professional integrity behaviors, refraining from direct or indirect offering unjustified benefits to others or seeking such benefits.

Article 200 The Company shall establish sound risk management system in accordance with the relevant provisions of the laws, administrative regulations and the Securities Regulatory Authorities, which specifies the duties of the risk management personnel, and prevents and controls the Company's business operation and internal management risks.

Article 201 The Company shall implement an internal auditing system in accordance with the relevant provisions of the laws, administrative regulations and the Securities Regulatory Authorities, which is deployed with full-time auditors and have specified the responsibilities of the relevant auditors for conducting internal audit and supervision over financial income and expenses, as well as the economic activities of the Company.

Article 202 Senior management personnel of the Company in charge of compliance management, risk management and auditing and auditing departments shall not concurrently take up posts or departments in conflict with the responsibilities of compliance management, risk management and auditing.

CHAPTER 10 FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT OF THE COMPANY

Section 1 Financial Accounting System

Article 203 The Company shall establish its financial and accounting systems, profit distribution and auditing systems in accordance with laws, administrative regulations and requirements of relevant authorities in the PRC.

Article 204 The Company shall submit and disclose its annual report to the local branch of the CSRC and the stock exchange within 4 months from the end of each fiscal year, and submit and disclose its interim report to the local branch of the CSRC and the stock exchange within 2 months from the end of the first 6 months of each fiscal year.

The aforementioned annual report, interim report and other periodic reports disclosed as required by the stock exchange shall be prepared in accordance with the relevant laws, administrative regulations and departmental regulations.

Article 205 The accounting year of the Company is based on the Gregorian calendar year, that is, an accounting year ranges from January 1 to December 31 of the Gregorian calendar.

The Company shall prepare a financial report at the end of each accounting year, and such financial statement shall be audited by an accounting firm in compliance with laws. The financial statement shall be prepared in accordance with the provisions of laws, regulations and requirements of the relevant authorities in the PRC.

Article 206 The Board of Directors of the Company shall, at each annual general meeting, submit to the Shareholders the financial reports that shall be prepared by the Company under relevant laws and regulations, and normative documents of local governments and competent authorities.

Article 207 The Company shall announce two results in each fiscal year; the preliminary interim results shall be published within two months after the end of the first six months of the fiscal year; the annual results shall be published within three months after the end of the fiscal year.

Other regulations of the Securities Regulatory Authorities at the place where the shares of the Company are listed shall prevail.

Article 208 The Company shall not establish account books other than the statutory account books. The funds of the Company shall not be deposited in any personal account.

Article 209 The profit distribution proposal of the Company for each year shall be reviewed and approved at the general meeting. The Company shall distribute its after-tax profit for the current year in the order of:

(1) recovering losses of the preceding year;
(2) withdrawing ten per cent after-tax profit of the current year as a statutory common reserve fund;
(3) withdrawing a risk reserve in accordance with relevant national requirements;
(4) withdrawing a discretionary common reserve fund according to resolutions of the general meeting;
(5) distributing dividends to shareholders.

The Company may not withdraw a statutory common reserve fund if the cumulative amount has reached fifty percent or more of the Company's registered capital. The general meeting shall determine whether to allocate the discretionary reserve after allocating the statutory reserve and the risk reserve.

If the statutory reserve could not cover the losses of the preceding year, profit of the year shall be used to cover the losses before withdrawing the statutory reserves.

Where the general meeting distributes profits to shareholders in violation of the Company Law, the shareholders concerned shall refund to the Company the profits distributed in violation of the foregoing provisions. Where any loss is caused to the Company, the shareholders, and the accountable Directors and senior management members shall be liable for compensation. After losses have been covered and the statutory reserve and risk reserve have been allocated in accordance with these Articles of Association, any remaining after-tax profits shall be distributed to the shareholders in proportion to their shareholdings, unless otherwise stipulated in the Company's Articles of Association.

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

Article 210 The common reserve fund of the Company shall be used to make up for the losses, expand the operating scale or increase the registered capital of the Company.

When the common reserve fund is used to make up for the Company's losses, the Company shall first utilize the discretionary common reserve and the statutory common reserve. If such reserves are insufficient to make up for the losses, the Company may use the capital reserve in accordance with the relevant provisions.

Upon the conversion of statutory common reserve into additional registered capital, the balance of the statutory common reserve shall not be less than twenty-five percent of the registered capital of the Company before such conversion.

Article 211 After a profit distribution plan is resolved at a general meeting, or after the Board of the Company formulates a specific plan according to the interim distribution conditions and limit for the following year as considered and approved at the annual general meeting, the dividend (or share) distribution shall be completed within two months.

Article 212 The basic principles of the profit distribution policy of the Company shall be as follows:

(1) the Company attaches much importance to providing reasonable returns to investors and maintaining the continuity and stability of the Company's dividend distribution policy, while taking into account the company's long-term interests, the overall interests of all shareholders and the company's sustainable development;

(2) the profit distributed by the Company shall not exceed its accumulated distributable profit, and the Company shall ensure that, upon the implementation of the profit distribution policy, all risk control indicators shall conform to the requirements for the early warning standards set forth in the Administrative Measures for Risk Control Indicators of Securities Companies (《證券公司風險控制指標管理辦法》);

(3) the Company shall give priority to the distribution of dividends in cash.

Article 213 The policy of profit distribution of the Company is as follows:

(1) forms of profit distribution: The Company may distribute its profits in cash, shares or a combination of both or in any other forms as permitted by the laws;

(2) specific conditions and proportions of dividends in cash: Provided that the Company does not have material investment plans, major cash expenses, etc. and that the capital needs for normal operation of the Company are met, the profits distributed by the Company in cash shall not be less than 10% of the distributable profits of the same year, and within any consecutive three years, the accumulated profit distribution in cash shall not be less than 30% of the average annual distributable profit for those three years;

(3) intervals of profit distributions: The Company generally distributes its profit on a yearly basis. The Board may propose interim distribution of profits (including interim distribution of cash dividends) according to the Company's profitability and capital needs and other conditions;

(4) specific conditions of distributing dividends: Provided that the Company's operation is in good condition and that the Board considers the distribution of share dividends is beneficial to the overall interest of all shareholders of the Company due to a mismatch between the Company's stock price and its scale of share capital, the Company may distribute dividends in the form of shares if the above cash dividend conditions are met;

(5) differential cash dividend policy: The Board may propose a differential dividend policy in accordance with the requirements of applicable laws, regulations and listing rules and the procedures prescribed in these Articles of Association;

(6) conditions for non-profit distribution: In the event that the audit report of the Company for the most recent year sets out a modified opinion or an unqualified opinion with a paragraph on material uncertainties related to going concern, the profit distribution may not be proceeded.

Article 214 Decision-making procedures and mechanisms of profit distribution plans are as follows:

(1) the profit distribution plan of the Company shall be formulated by the Board. The Board shall fully discuss the rationality of the profit distribution plan and formulate the special proposal to be implemented upon consideration and approval at the general meeting. When the Independent Directors consider that the specific plan of cash dividends might be detrimental to the interests of the Company or minority shareholders, they shall have the right to express independent opinions. If the Board of Directors does not adopt or does not fully adopt the recommendations of the Independent Directors, the opinions of the Independent Directors and the specific reasons therefor shall be recorded in the resolutions of the Board of Directors and be disclosed. Before the specific plan of profit distribution is considered at the general meeting, the Company shall actively communicate with the shareholders, especially the minority shareholders, via multiple channels, fully listen to the views, complaints and requests of the minority shareholders, and timely respond to the concerns of the minority shareholders. When the profit distribution plan is considered at the general meeting, the shareholders shall be provided with access to online voting.

(2) if the Company cannot determine the profit distribution plan for the current year in accordance with the established cash dividend policy or the minimum cash dividend ratio under exceptional circumstances, the Company shall disclose the specific reasons in the annual report. The profit distribution plan of the Company shall be adopted by 2/3 or more of the voting rights held by the shareholders attending the general meeting. When the Company holds an annual general meeting to review the annual profit distribution plan, it may consider and approve the conditions, proportion cap and amount cap of cash dividends for the interim period of the next year. The dividend cap for the interim period of the next year considered at the annual general meeting shall not exceed the net profit attributable to shareholders of the listed company for the corresponding period. The Board of Directors shall formulate a specific interim dividend plan in accordance with the resolutions of the general meeting and subject to the conditions of profit distribution.

(3) in the event of any war, natural disasters and other force majeure, or changes in the external business environment of the Company having a significant impact on the Company's production and operation, or if the Company's own business or financial position has changed greatly or the relevant laws, regulations or regulatory requirements have been changed or adjusted, or if the Board deems necessary, the Company may adjust the profit distribution policy.

Should the Company adjust the profit distribution policy, the Board shall have a detailed discussion about the feasibility of the adjustment and form a special proposal to be submitted to the general meeting subject to approval by 2/3 or more of the voting rights held by the shareholders attending the general meeting. Independent Directors shall give clear opinions. Before the specific plan of adjusted profit distribution is considered at the general meeting, the Company shall actively communicate with the shareholders, especially the minority shareholders, via multiple channels, fully listen to the views, complaints and requests of the minority shareholders, and timely respond to the concerns of the minority shareholders. When the adjustment of profit distribution policy is considered at the general meeting, the shareholders shall be provided with access to online voting.

Article 215 The Company pays cash dividends and other payments to shareholders of Domestic Shares in RMB. The Company shall pay cash dividends and other payments to the shareholders of the foreign-capital shares, denominated and declared in RMB and paid in foreign currency. The Company shall pay the foreign currency required for the cash dividends and other payments to the shareholders of the foreign-capital shares according to the relevant provisions of the State on the foreign exchange administration.

Unless otherwise stipulated by relevant laws and regulations, for the payment of cash dividends and other payments in Hong Kong dollars, the exchange rates shall apply the average central parity of the exchange rate announced by the People's Bank of China one calendar week before the declaration date of the dividends and other payments.

Article 216 Any amount paid up in advance of calls on any shares may bear interest but shall not entitle the holder of the shares to participate in respect thereof in a dividend subsequently declared.

Subject to the relevant PRC laws and regulations and rules of the Hong Kong Stock Exchange, the Company may exercise the power to forfeit unclaimed dividends, provided that it does so only after the expiration of the applicable relevant period.

The Company has the power to cease sending dividend warrants by post to a given holder of overseas listed foreign shares, but may exercise such power only if such warrants have been left uncashed on two consecutive occasions. However, the Company may exercise such power after the first occasion on which such a warrant is returned undelivered.

The Company has the power to sell, by a method deemed fit by the Board, the shares of a holder of overseas listed foreign shares who is untraceable, provided that it complies with the following conditions:

(1) the Company has distributed dividends on such foreign shares for at least three times in twelve years, which dividends are not claimed by anybody during the period;

(2) upon expiration of the twelve-year period, the Company makes an announcement of its intention to sell such shares in one or more newspapers, and notify the local Securities Regulatory Authorities, at the place where the stock of the Company is listed.

Article 217 The Company shall appoint collection agents for holders of overseas listed foreign shares. The collection agents shall, on behalf of the related shareholders, collect dividends and other payables distributed by the Company for the overseas listed foreign shares.

The collection agents appointed by the Company shall be in compliance with the requirements of the laws or local stock exchange at the place where the shares of the Company are listed.

The collection agents appointed by the Company for holders of overseas listed foreign shares, which are listed in Hong Kong, shall be trust companies registered pursuant to Trustee Ordinance of Hong Kong.

Section 2 Internal Audit

Article 218 The Company shall adopt the internal auditing system, specifying the leadership structure, responsibilities an d authorities, staffing, funding assurance, application of audit results and accountability for the internal audit work.

The internal audit system of the Company shall be implemented after approval by the Board, and shall be disclosed.

Article 219 The Company's internal audit function shall conduct supervision and inspection of the Company's business activities, risk management, consolidated statement management, internal control, financial information and other matters.

Article 220 The internal audit function shall be accountable to the Board of Directors.

During its supervision and inspection of the Company's business activities, risk management, consolidated statement management, internal control and financial information, the internal audit function shall accept the supervision and guidance of the Audit Committee. The internal audit function shall immediately report directly to the Audit Committee upon discovering any material issues or clues.

Article 221 The internal audit function shall be responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report issued by the internal audit function and reviewed by the Audit Committee, as well as relevant materials.

Article 222 When the Audit Committee communicates with external audit entities such as accounting firms and national audit institutions, the internal audit function shall actively cooperate and provide necessary support and collaboration.

Article 223 The Audit Committee shall participate in the performance appraisal of the head of the internal audit function.

Section 3 Appointment of an Accounting Firm

Article 224 The Company shall appoint a firm of accountants, which is qualified under the requirements of the Securities Law to conduct financial statements auditing, net assets verification and other relevant consulting services for one year. The accounting firm is eligible for reappointment.

Article 225 The appointment or removal of an accounting firm by the Company are approved by the general meeting, and the Board shall not appoint an accounting firm before obtaining approval from the general meeting.

Article 226 The Company shall ensure the provision of true and complete accounting document, accounting books, financial statements and other financial information to the appointed accounting firm which shall not be withheld, omitted or falsified.

Article 227 The audit fees of an accounting firm shall be determined at the general meeting.

Article 228 Where the Company dismisses or ceases to re-appoint an accounting firm, 10 days' prior notice shall be given to the accounting firm, and the accounting firm shall be entitled to state its opinions when the resolution on the dismissal of the accounting firm is voted on at the general meeting of the Company.

Where the accounting firm resigns, it shall explain at the general meeting whether there is any improper circumstance of the Company.

Article 229 An accounting firm may resign its office by depositing a written resignation notice at the Company's legal address. Such notice shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include the following statements:

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

(2) a statement of any other circumstances requiring an explanation.

The Company shall send a copy of the notice referred to in the preceding paragraph to the relevant responsible department within fourteen days after receipt. If the notice contains a statement as mentioned in item (2) of the preceding paragraph, a copy of such statement shall be placed at the Company for the inspection of shareholders. The Company shall also send out notices or publish announcements in accordance with Chapter 11 of these Articles of Association.

If the notice of resignation of the accounting firm contains a statement in respect of any circumstances requiring an explanation, it may require the Board to convene an extraordinary general meeting for the purpose of giving an explanation of the circumstances in connection with its resignation.

CHAPTER 11 NOTICE AND ANNOUNCEMENT

Article 230 Notices of the Company shall be served by the following methods:

(1) by hand;
(2) by mail;
(3) by facsimile or e-mail;
(4) by making an announcement on the website or newspapers designated by the Company and stock exchanges in accordance with the laws, regulations and the listing rules of the places where the Company's shares are listed;
(5) by other means agreed before between the Company and the recipient or accepted by the recipient after receiving notice;
(6) by other means approved by the laws, regulations, relevant regulatory authorities at the place where the Company's shares are listed or specified in these Articles of Association.

Where a notice is served by way of announcement, after the publication of such announcement, all related persons shall be deemed to have received the notice unless it is otherwise required by the regulatory authorities of the place where the Company's shares are listed.

Unless otherwise provided in these Articles of Association, the notice delivered to each holder of the H Shares, if delivered by public announcement, the Company shall submit an electronic version, which may be published immediately to the Hong Kong Stock Exchange through the electronic upload system to publish it on the website of Hong Kong Stock 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 holder of the H Shares in person or by postpaid mails according to their registered address.

Unless the context otherwise requires, "announcement" referred to herein means an announcement made to holders of Domestic Shares or as to the announcement required to be published in the PRC according to the relevant provisions and the Articles of Association, means an announcement published in information disclosure carriers (including newspapers, the website(s) of the stock exchange(s)) as specified by PRC laws and regulations or designated by stock exchanges. In respect of the announcement sent to holders of H Shares or required to be sent in Hong Kong pursuant to relevant regulations and the Articles of Association, the announcement shall be published in the designated newspapers in Hong Kong as required by the relevant listing rules. All the circulars or other documents required to be submitted to the Hong Kong Stock Exchange by the Company pursuant to Chapter 13 of the Listing Rules of the Hong Kong Stock Exchange shall be compiled in English or attached with a signed and certified English version.

Under the premise of the Company's observation to the relevant listing rules of the place(s) in which the shares of the Company are listed, regarding the provision and/or distribution by the Company of corporate communications to holders of the overseas listed foreign shares in accordance with requirements of such listing rules, the Company may also electronically or at the company's website or such website of the stock exchange, post such information so as to send out such information to such holders, instead of such delivery by hand or postage prepaid mail.

Article 231 Unless otherwise provided in these Articles of Association, the notice means as set out in the preceding Article, may also be applicable to notices for general meetings or meetings of Board.

Article 232 If the notice is served by hand, the date of service is the date of acknowledgment of receipt by signature or affixed seal on the service return slip. If the notice is sent by speedpost, the date of service is the second working day from the date of delivery at the post office. If the notice is given by e-mail, the date of such e-mail entering the recipients' designated electronic data exchange system shall be the date of service. If the notice is given by fax, the sent date on the sender's fax record shall be the date of service; in the case of given by way of public announcement, the date of the first announcement shall be the date of service.

Article 233 Where relevant corporate documents must be in the English language and be accompanied by a Chinese version and be served through delivery, post, distribution, sending out, announcement or other means according to the requirements of the listing rules of the place(s) where the shares of the Company are listed, in respect of shareholders who under proper arrangements by the Company confirm to receive such information only in English or Chinese version, as well as to the extent of the applicable laws and regulations, the Company may send such documents in the English or Chinese version to relevant shareholders according to their prescribed wills.

CHAPTER 12 MERGER, DIVISION, INCREASE AND DECREASE OF CAPITAL, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Increase and Decrease of Capital

Article 234 The merger of the Company may take the form of either merger by absorption or merger by incorporation.

Absorption by a company of the company(ies) is known as merger by absorption whereby the company being absorbed shall be dissolved. The merger of two or more companies by the establishment of a new company is known as merger by incorporation, whereby the merged companies shall be dissolved.

Article 235 In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and checklists of properties. The companies involved shall notify the creditors according to the Company Law, and shall make a public announcement in a newspaper recognized by the Stock Exchange of the place where the Company's shares are listed or in the National Enterprise Credit Information Publicity System, and clear off its debts or provide corresponding guarantees as required by the creditors according to relevant laws.

Article 236 Upon the completion of a merger, the respective accounts payable and receivable will be inherited by the continuing company, or the newly formed company after the merger.

Article 237 As for the division of a company, the properties thereof shall be divided accordingly.

In the event of a division, balance sheets and checklists of properties shall be prepared. The companies involved shall notify the creditors according to the Company Law, and shall make a public announcement in a newspaper recognized by the stock exchanges of the place where the Company's shares are listed or in the National Enterprise Credit Information Publicity System.

Article 238 Debts owed by the Company prior to the division shall be jointly assumed by the companies in existence after the division, save as otherwise agreed by written agreement on settlement of debts with creditors prior to the division.

Article 239 If the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify the creditors within ten days from the date of the resolution to reduce the registered capital at the general meeting, and make an announcement on the newspapers recognised by the stock exchange where the shares of the Company were listed or in the National Enterprise Credit Information Publicity System within 30 days. The creditors shall have the right to require the Company to repay its debts or provide corresponding guarantees within thirty days after receipt of the notice or within forty-five days after the announcement if the creditors fail to receive the notice.

If the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the shares held by its shareholders, unless otherwise provided by law or these Articles of Association.

Article 240 If the Company still has losses after making up for them in accordance with the provisions of the second paragraph of Article 210 of these Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not distribute profits to shareholders, nor shall it exempt shareholders from the obligations to make capital contributions or pay for shares.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of the second paragraph of Article 239 of these Articles of Association does not apply but an announcement shall be made on the newspapers recognized by the stock exchanges where the shares of the Company are listed or in the National Enterprise Credit Information Publicity System within thirty days from the date of the resolution to reduce the registered capital at the general meeting.

After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the aggregate amount of the statutory reserve and the discretionary reserve reaches 50% of the Company's registered capital.

Article 241 In the event that the registered capital is reduced in violation of the Company Law and other relevant provisions, the shareholders shall return the funds received, and any reduction or exemption of shareholders' capital contributions shall be reinstated. Where any loss is caused to the Company, the shareholders, and the accountable Directors and senior management members shall be liable for compensation.

Article 242 When the Company issues new shares for the purpose of increasing its registered capital, the shareholders shall not be entitled to pre-emptive rights, unless otherwise provided by these Articles of Association or as resolved at the general meeting to grant such pre-emptive rights to the shareholders.

Article 243 The merger or division of the Company shall be executed in accordance with the laws, administrative regulations and relevant provisions required by the Securities Regulatory Authorities and shall be subject to the approval of the approving authorities such as the Securities Regulatory Authorities. When the merger or division involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

When the Company increases or reduces its registered capital, it shall go through the approval procedures in accordance with the law, and register the change with company registry authorities.

Section 2 Dissolution and Liquidation

Article 244 The Company shall be dissolved for the following reasons:

(1) Circumstance for dissolution specified in these Articles of Association arises;
(2) The general meeting has resolved to dissolve the Company;
(3) Merger or division of the Company requires a dissolution;
(4) The business license is revoked in accordance with the law, or the Company is ordered to close or is cancelled;
(5) If the Company gets into serious trouble in operations and management and continuation may incur material losses of the interests of the shareholders, and no solution can be found through any other means, the shareholders holding ten per cent or more of voting rights of the Company may request the People's Court to dissolve the Company.

Upon the occurrence of any circumstance for dissolution specified in the preceding paragraph, the Company shall publish the circumstance for dissolution through the National Enterprise Credit Information Publicity System within ten days.

Article 245 In the circumstances set out in items (1) and (2) of the first paragraph of Article 244 of these Articles of Association, and if the Company has not yet distributed its assets to its shareholders, the Company may continue to subsist by amending the Articles of Association or by a resolution of the general meeting.

An amendment to the Articles of Association according to the provisions as mentioned in the preceding paragraph or a resolution of the general meeting requires affirmative votes by two-thirds or more of the votes held by shareholders attending the general meeting.

Article 246 Where the Company is dissolved under the circumstances set out in items (1), (2), (4) and (5) of the first paragraph of Article 244 of the Articles of Association, the Company shall be liquidated. Directors as the liquidation obligors of the Company shall form a liquidation committee within fifteen days from the date of occurrence of the circumstance for dissolution to perform the liquidation process.

The liquidation committee shall be composed of Directors except where otherwise provided for in these Articles of Association or unless the general meeting resolves to elect other persons.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner and causes losses to the Company or its creditors, they shall be liable for compensation. If the Company fails to establish a liquidation committee on time or the liquidation committee fails to perform liquidation after its formation, any interested party may request the people's court to designate certain persons to form a liquidation committee to perform liquidation.

Where the Company is dissolved under the circumstance set out in item (3) of the first paragraph of Article 244 of the Articles of Association, the Company shall apply to the Securities Regulatory Authorities with reasons for dissolution and liabilities settlement scheme. The Company shall be dissolved after obtaining the approval from the Securities Regulatory Authorities.

Article 247 The liquidation committee shall exercise the following functions and powers:

(1) to examine and take possession of the Company's assets and prepare the balance sheet and a property inventory;
(2) to inform creditors by notice or announcement;
(3) to deal with the outstanding businesses of the Company relating to liquidation;
(4) to pay outstanding taxes and the taxes arising during liquidation;
(5) to settle claims and debts;
(6) to distribute the remaining assets of the Company after repayment of debts;
(7) to represent the Company in civil proceedings.

Article 248 The liquidation committee shall notify all creditors within ten days after its establishment and shall publish announcements in newspapers recognized by the stock exchange where the shares of the Company are listed or in the National Enterprise Credit Information Publicity System within sixty days. The creditors shall declare their rights to the liquidation committee within thirty days after receipt of the notice or within forty-five days after the announcement if the creditors have not received the notice.

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

In the creditor's rights declaration period, the liquidation committee shall not make repayment to the creditors.

Article 249 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or People's Court for confirmation.

The assets of the Company shall be settled in the following order:

(1) payment of the liquidation expenses;
(2) payment of employees' salaries, social insurance expenses and statutory compensations;
(3) payment of outstanding taxes;
(4) payment of the Company debts;
(5) distribution to shareholders according to their proportion of capital contribution.

Before the assets of the Company are applied for settlement in accordance with the requirements of (1) to (4) above, they cannot be distributed to shareholders.

During the liquidation period, the Company remains in existence; however, it shall not commence any business activity that is unrelated to liquidation.

Article 250 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, if it discovers that the Company's assets are insufficient to repay its debts in full, it shall immediately apply to the People's Court for bankruptcy liquidation.

Following the People's Court's acceptance of the application for bankruptcy, the liquidation committee shall hand over all matters relating to the liquidation to the bankruptcy administrator designated by the People's Court.

Article 251 Following the completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, submit the same to the general meeting or people's court for confirmation, and deliver the same to the company registration authority, apply for cancellation of the Company's registration.

Article 252 Members of the liquidation committee shall perform their liquidation duties and perform their duty of loyalty and duty of diligence.

Members of the liquidation committee who fail to perform their liquidation duties and cause losses to the Company shall be liable for compensation. Any of them causes losses to the creditors due to his/her intentional misconduct or gross negligence, he/she shall be liable for damages.

Where the Company is declared bankrupt according to laws, bankruptcy liquidation shall be conducted in accordance with the laws on enterprise bankruptcy.

CHAPTER 13 AMENDMENTS TO THESE ARTICLES OF ASSOCIATION

Article 253 The Company may amend these Articles of Association pursuant to laws, administrative regulations and Articles of Association.

Article 254 The Company shall amend the Articles of Association in any of the following circumstances:

(1) the Articles of Association is contradictory to any provision of the amended relevant laws, administrative regulations, departmental rules, normative documents or the listing rules of the place where the Company's shares listed;
(2) changes to the Company's situation, which leads to inconsistency with matters recorded in the Articles of Association;
(3) general meeting adopts a resolution to amend the Articles of Association.

Article 255 Where the amendments to the Articles of Association passed by the general meeting require approval of competent authorities, the amendments shall be submitted to the competent authorities for approval. If such amendments involve any registered particulars of the Company, application shall be made for change of registration in accordance with laws.

Article 256 The Board may amend the Articles of Association in accordance with the resolution of the general meeting in relation to the amendment to Articles of Association and examination and approval opinions from relevant authorities.

Article 257 Should the matter amended in the Articles of Association require disclosure in accordance with the laws and regulations, an announcement shall be made accordingly.

CHAPTER 14 MISCELLANEOUS

Article 258 Definitions

(1) The "controlling shareholder", when the Company Law and relevant laws and regulations in Mainland China are applicable, shall refer to a shareholder who holds shares representing more than 50% of the total share capital of the Company; or a shareholder having sufficient voting right in respect of the shares he/she holds to pose a significant influence on the resolutions of the general meetings despite holding not exceeding 50% of the total share capital of the Company.

When the Hong Kong Listing Rules and laws and regulations in Hong Kong, China are applicable, it shall refer to a person that satisfies any of the following conditions: 1. he/she, acting alone or in concert with others, has the power to elect more than half of the total number of Directors; 2. he/she, acting alone or in concert with others, has the power to exercise or control the exercise of thirty percent or more of the Company's voting rights; 3. he/she, acting alone or in concert with others, holds thirty percent or more of the issued and outstanding shares of the Company; 4. he/she, acting alone or in concert with others, has de facto control over the Company in any other manner.

(2) The "de facto controller" refers to a natural person, legal person or another organization who/which can actually dominate the Company through investment relations, agreements or other arrangements.

(3) The "connected relations" refers to the relationship between the Company's controlling shareholders, de facto controller, Directors, senior management officers and those enterprises, which are directly or indirectly controlled by the foregoing parties and such other relationship, which may cause the interests of the Company to be transferred. However, the state-controlled enterprises do not have connected relations merely because they are all being controlled by the State.

Article 259 These Articles of Association are written in Chinese. In case of any inconsistency between these Articles of Association and the articles of association in any other version, the latest Chinese version of these Articles of Association approved by and registered with the Market Supervision Administration of Chaoyang District, Beijing (北京市朝陽區市場監督管理局) shall prevail.

Article 260 The term "or more", "within", "below" as stated in these Articles of Association shall all include the given figure; the term "not exceeding", "except", "more than", "less than", "exceeding", "over" shall all exclude the given figure.

Article 261 The "General Manager" referred to in these Articles of Association shall have the same meaning as the "manager" as stipulated under the Company Law.

Article 262 The Board may formulate by-laws in accordance with the provisions of these Articles of Association, provided that such by-laws shall not be in violation of these Articles of Association. The annexes to these Articles of Association shall include the Rules of Procedures for General Meetings and the Rules of Procedures for Board Meetings.

Article 263 The Board shall be responsible for the interpretation of these Articles of Association.