

JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

ARTICLES OF ASSOCIATION

(Revised by the Extraordinary General Meeting held on 28 October 2025)

(Note: This is a consolidated version of the articles of association of Jiangxi Copper Company Limited not formally adopted by shareholders at a general meeting. This articles of association was drawn up in Chinese. The English translation of its Chinese version is provided for reference only. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

CONTENTS

Chapter	Subject	<i>Page</i>
Chapter 1	General Provisions	3
Chapter 2	Business Objects and Scope	6
Chapter 3	Share Capital and Registered Capital.	8
Chapter 4	Reduction of Capital and Repurchase of Shares.	11
Chapter 5	Transfer of Shares.	13
Chapter 6	Share Certificates and Register of Shareholders	15
Chapter 7	Rights and Obligations of Shareholders.	16
Chapter 8	General Meetings	23
Chapter 9	Special Procedures for Voting by Class Shareholders	40
Chapter 10	The Party Committee of the Company.	42
Chapter 11	Board of Directors.	45
Chapter 12	Independent Directors	52
Chapter 13	Secretary to the Board of Directors of the Company	59
Chapter 14	Managers of the Company.	60
Chapter 15	Special Committees of the Board of Directors.	62
Chapter 16	Qualifications and Obligations of Directors and Senior Management of the Company	65
Chapter 17	Financial and Accounting System and Profit Distribution . . .	70
Chapter 18	Appointment of Accounting Firm	76
Chapter 19	Insurance.	77
Chapter 20	Labour and Human Resources Management	77
Chapter 21	Trade Union Organisation	78
Chapter 22	Merger and Demerger of the Company	78
Chapter 23	Dissolution and Liquidation of the Company.	79
Chapter 24	Procedures for Amendments to the Articles of Association of the Company	83
Chapter 25	Notices	84
Chapter 26	Supplementary Provisions	86

ARTICLES OF ASSOCIATION OF JIANGXI COPPER COMPANY LIMITED

Chapter 1 General Provisions

Article 1 Jiangxi Copper Company Limited (or the “Company”) is a joint stock limited company established in accordance with the “Company Law of the People’s Republic of China” (the “Company Law”) and other relevant legislations and administrative regulations of the People’s Republic of China.

The Company is established by way of promotion under the approval given under the State Council Committee for the Restructuring of Economic Systems Document Ti Gai Sheng (1996) No. 189 and the Original Ministry of Foreign Trade and Economic Cooperation Document (1996) Wai Jing Mao Zi Er Han Zi No. 707. It was registered on 24th January, 1997 with the State Administration for Industry and Commerce, the People’s Republic of China and the business license thereof has been obtained. The business license number of the Company at the time of establishment is Qi He Guo Zi No. 000732. After relevant changes, the Company is holding the business license and the unified social credit code is 91360000625912173B.

The names of the promoters are (the names at that time):

- Jiangxi Copper Corporation (now under the name of “Jiangxi Copper Corporation Limited”)
- International Copper Industry (China) Investment Limited
- Shenzhen Baoheng (Group) Company Limited
- Shangrao City Zhenda Copper Industrial Group
- Hubei Huangshi Gold and Copper Mine Limited Liability Company (together the “Promoters”)

Article 2 The registered name of the Company:

Chinese: 江西銅業股份有限公司

English: JIANGXI COPPER COMPANY LIMITED

- Article 3** Domicile of the Company: 15 Yejin Avenue, Guixi City, Jiangxi,
the People's Republic of China
Postal Code: 335424
Telephone No: (0701) 3777011
Facsimile: (0701) 3777013
- Article 4** The chairman of the Company shall be the legal representative of the Company.
- The resignation of a director holding the position of the legal representative shall be deemed to be the resignation of the legal representative at the same time. If the legal representative resigns, the Company shall designate a new legal representative within 30 days from the date of resignation of the legal representative.
- Article 5** The Company is a joint stock company with limited liability in perpetual existence.
- The rights and obligations in respect of the Company enjoyed and assumed by shareholders of the Company shall be limited to the extent of the class and number of shares held by them. The Company shall be liable to its creditors to the extent of all of its assets.
- The Company is an independent legal person, governed and protected by the laws and administrative regulations of the People's Republic of China.
- Article 6** In accordance with the provisions of the Company Law, the Securities Law of the People's Republic of China (the "Securities Law"), the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Constitution of the Communist Party of China and other applicable national laws and administrative regulations, the Company adopted the Articles of Association of the Company (or the "Articles of Association" and the "Articles") in order to protect the legal rights and interests of the Company, its shareholders, its employees, and creditors and to regulate its structure and activities.

Article 7

In accordance with the Company Law and the Constitution of the Communist Party of China, the Company shall establish a committee for the Communist Party of China and a discipline inspection committee to carry out activities of the Party. Party organisation is an organic composition of the corporate governance structure of the Company. The Company adheres to simultaneous planning of Party construction and production operations, simultaneous establishment of Party organisation and working organs, simultaneous allocation of person in charge of the Party organisation and staff for Party affairs as well as simultaneous proceeding of work of the Party, so as to specify the authority, duties and manner of work of the Party organisation in respect of corporate decision-making, implementation and supervision of each stage, to realise alignment between systems, between mechanisms, between institutions and between works, and to promote the Party committee of the Company to play a leadership role in an organised, institutionalised and concrete way. The Company shall provide necessary conditions for the activities of the Party organisation.

Article 8

The Articles shall take effect upon the passing of a special resolution at the General Meeting of the Company. From the date when the Articles of Association takes effect, the Articles of Association shall constitute a legally binding document regulating the structure and activities of the Company, and governing the rights and obligations between the Company and its shareholders and among the shareholders.

Article 9

The Articles of Association shall be binding on the Company, its shareholders, directors, and senior management. All the persons mentioned above may, pursuant to the Articles of Association, put forward suggestions concerning the affairs of the Company.

The shareholders may, in accordance with the Articles of Association, sue the Company. The Company may, in accordance with the Articles of Association, sue the shareholders, directors and senior management. The shareholders may, in accordance with the Articles of Association, sue one another. The shareholders may, in accordance with the Articles of Association, sue the directors and senior management of the Company.

Senior management of the Company shall be remunerated only by the Company and shall not be paid by the controlling shareholders on behalf of the Company.

Article 10 The Company may invest in other enterprises. However, the Company shall not, unless otherwise as stipulated by the laws, be the investors assuming joint liability for debts of the enterprises so invested.

The Company shall not be a shareholder with unlimited liabilities of other profit-making organisations.

Article 11 Subject to compliance with laws and administrative regulations of the People's Republic of China, the Company shall be entitled to financing or borrowing rights, which include (but not limited to) the issuance of corporate debentures and pledging or mortgaging of its properties.

Chapter 2 Business Objects and Scope

Article 12 The business objects of the Company shall be:

Guided by the vision of “becoming a world-class enterprise that is widely respected and possesses global core competitiveness”, the Company adopts a global perspective to continuously enhance its international resource allocation capabilities. It strives to establish itself as a globally renowned enterprise with first-class talent, technology, management, products, services, and brands, achieving leadership in efficiency, benefits, and quality. The Company aims to continuously lead global industry technological development and enhance its influence in the global industry landscape. The Company actively practices green development concepts, fulfills social responsibilities, and contributes to the economic development and social progress of the countries and regions where it operates.

Article 13

The scope of operations of the Company shall be based on the items approved by the company registration authorities.

The scope of operations of the Company includes: mining, milling, smelting, further processing and related technical services of non-ferrous metals and rare metals; smelting, mangle processing and further processing of non-ferrous metal mines, rare metals, non-metal mines, non-ferrous metals and related by-products; sulfur chemical products and its extended products and fine chemical products related to the abovementioned operations; trading of non-ferrous metals and trading of precious metals; beneficiation pharmacy, rubber products; manufacturing and operation of hazardous chemicals; production and processing of toxic chemicals, corrosives, compressed gases and liquefied gases; sale and after-sale services for self-produced products together with related consultation services and businesses; geotechnical projects, surveying, tunneling projects; repair and decoration for electrical and mechanical and civil engineering works; vehicles and engineering machinery repair, mobile crane repair; production of rubber hoses assemblies-wire reinforced hydraulic type; casting of wear-resistant alloy products; manufacturing, further processing, erection, repair and sale of mining and smelting specialised equipment; painting, insulation and anticorrosion works; cleansing of industrial equipment; freight transportation agent, warehousing (except dangerous goods); road passengers transportation services; road freight transportation (except dangerous goods); non-residential real estate leasing; information technology consultation services, technical services, technical development, technical consultation, technical exchange, technical transfer and technical promotion; engaging in overseas futures hedging business; provision of import and export agency services (the import and export of the above-mentioned commodities do not involve commodities which are subject to and regulated under specific regulations such as state trading, import quota license, export quota bidding and export quota license).

Article 14 With the approvals of the relevant government authorities, the Company may from time to time make adjustments to its investment policy, scope and means of operations in view of domestic and international market trends, business development needs within the People's Republic of China and the Company's own development capability and business needs. The Company may also set up branches and offices (whether or not it is wholly-owned) both within and outside the People's Republic of China and in the regions of Hong Kong, Macau and Taiwan.

Chapter 3 Share Capital and Registered Capital

Article 15 The Company may at any time create ordinary shares. The ordinary shares issued by the Company shall include domestic shares and foreign shares. Having regarded to its requirements and in accordance with relevant laws, administrative regulations, and the relevant provisions of the securities regulatory authorities of the State Council and other regulatory authorities, the Company may issue other classes of shares.

Article 16 The shares issued by the Company shall be shares with par value of Renminbi 1 per share. The Renminbi referred to in the preceding sentence shall be the legal currency of the People's Republic of China. Shares of the same class issued at the same occasion shall be issued on the same terms and at the same price per share; and subscribers shall pay the same price per share for the shares they have subscribed.

Article 17 The Company may issue shares to domestic investors and foreign investors upon the registration or filing with the securities regulatory authorities of the State Council or other relevant securities regulatory authorities.

The foreign investors referred to in the preceding paragraph shall mean the investors from foreign countries and the regions of Hong Kong, Macau and Taiwan of the People's Republic of China who subscribe for the shares issued by the Company; domestic investors shall mean the investors within the People's Republic of China other than those investors from the aforesaid regions.

- Article 18** The shares issued by the Company to the domestic investors and subscribed in Renminbi shall be called domestic shares. The shares issued by the Company to the overseas investors and subscribed in foreign currency shall be called foreign shares. Those foreign shares listed overseas shall be called overseas foreign listed shares. Holders of domestic shares and overseas foreign listed shares are ordinary shareholders and shall have the same rights and obligations.
- The foreign currency referred to in the preceding paragraph shall mean the lawful currency of other countries or areas, other than Renminbi, recognised by the foreign exchange authority of People's Republic of China for the purpose of payment for the shares to the Company.
- Article 19** The foreign shares issued by the Company and listed in Hong Kong shall be called H shares. H shares shall mean the shares which have been admitted for listing on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") and the par value of which is denominated in Renminbi and are subscribed for and traded in Hong Kong dollars.
- Article 20** Upon approval by approving authority authorised by the State Council, the Company may initially issue an aggregate of 2,500,000,000 ordinary shares. At the time of incorporation, 1,777,556,200 shares (including 1,277,556,200 domestic shares and 500,000,000 foreign shares) were issued to the promoters, representing 71.102% of the total ordinary shares initially issued by the Company.
- Article 21** Upon approval by approving authority authorised by the State Council, the total ordinary shares issued by the Company is 3,462,729,405 shares, among which there are 2,075,247,405 domestic shares (A shares), representing 59.93% of the Company's total share capital; there are 1,387,482,000 overseas foreign listed shares (H shares), representing 40.07% of the Company's total share capital. If there is a change in the Company's share capital, the number of shares after such change shall prevail.
- Article 22** The registered capital of the Company shall be Renminbi 3,462,729,405.

Article 23

The Company may, based on its operation and business requirements, increase its capital in the following ways in accordance with the provisions of laws and regulations and upon the resolution made at the General Meeting:

- (1) issue shares to non-specified targets;
- (2) issue shares to specified targets;
- (3) issue bonus shares to existing shareholders;
- (4) convert statutory reserves to increase share capital;
- (5) other methods permitted by the laws and administrative regulations and approved by the securities regulatory authorities.

The increase in the capital of the Company by way of issuing new shares pursuant to the provisions of the Articles of Association shall be implemented in accordance with relevant laws and administrative regulations of the People's Republic of China.

Article 24

Neither the Company nor any of its subsidiaries (including the Company's affiliated enterprises) shall provide financial assistance in any form, including by way of gifts, advances, guarantees, or loans, for others to acquire shares of the Company or its parent company, except for the implementation of an employee stock ownership scheme by the Company.

For the benefit of the Company, and subject to a resolution of the General Meeting or the Board of Directors made pursuant to an authorisation granted by the Articles of Association or a resolution made at the General Meeting, the Company may provide financial assistance for others to acquire shares of the Company or its parent company. However, the aggregate amount of such financial assistance shall not exceed 10% of the total issued share capital. The resolution of the Board of Directors shall be passed by not less than two-thirds of all directors.

Chapter 4 Reduction of Capital and Repurchase of Shares

Article 25 The Company may reduce its registered capital pursuant to the provisions of the Articles of Association.

Article 26 Upon the reduction of registered capital, the Company shall prepare a balance sheet and a list of its assets.

The Company shall notify its creditors within ten (10) days from the date of the Company's resolution for reduction of its registered capital and publish a public announcement in newspapers or on the National Enterprise Credit Information Publicity System within thirty (30) days from the date of such resolution. A creditor has the right within thirty (30) days of receipt of the written notice or, in the case of a creditor who does not receive such notice, within forty-five (45) days from the date of the public announcement, to require the Company to repay its debts or to provide corresponding guarantee for such debt.

The registered capital shall not be less than the minimum statutory requirement after the reduction of capital.

The Company shall reduce contributed amounts or shares in accordance with the shareholding proportions of shareholders when reducing its registered capital, except as otherwise prescribed by laws or the Articles.

Article 27 Where the Company continues to incur losses after making up for losses in accordance with paragraph 1 of Article 154 of the Articles, it may reduce its registered capital to make up for such losses. In the case of reduction in its registered capital to make up for losses, the Company shall not make any distribution to shareholders, nor shall it exempt shareholders from their obligation to contribute capital or share monies.

The provisions of paragraph 2 of Article 26 of the Articles shall not apply to a reduction of registered capital pursuant to the preceding paragraph, except that the Company shall make an announcement in newspapers or on the National Enterprise Credit Information Publicity System within thirty days from the date when the resolution to reduce registered capital is passed at the General Meeting. Where the Company reduces its registered capital in accordance with the preceding two paragraphs, it shall not distribute profits until the aggregate amount of the statutory reserve and discretionary reserve reaches 50% of the Company's registered capital.

Article 28 Where the registered capital is reduced in violation of the Company Law or other relevant regulations, shareholders shall return any funds they have received, and any reduction or exemption of capital contributions by shareholders shall be restored to the original status; if losses are incurred by the Company, the shareholders and the responsible directors or senior management shall bear liability for compensation.

Article 29 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 for in the Articles or determined by a resolution of the General Meeting that the shareholders shall be entitled to pre-emptive rights.

Article 30 In the following circumstances, the Company may repurchase its issued shares in accordance with the procedures provided in the Articles of Association:

- (1) to reduce registered capital of the Company;
- (2) to amalgamate with other companies holding shares of the Company;
- (3) to use the shares for the employee stock ownership scheme or as stock incentive;
- (4) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any General Meeting on the merger or division of the Company;
- (5) to use the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the Company;
- (6) to safeguard corporate value and shareholders' equity as the Company deems necessary.

The Company shall repurchase its issued shares in accordance with laws, administrative regulations, rules of the stock exchange where the shares of the Company are listed and the provisions under Articles 31 and 32.

Article 31 The Company may repurchase the Company's shares through publicly centralised trading or other means permitted by laws, administrative regulations, the rules of the stock exchanges where the shares of the Company are listed and as approved by the securities regulatory authorities.

Where the Company repurchases shares, it shall fulfill the obligations of information disclosure pursuant to the Securities Law and the rules of the stock exchanges where the shares of the Company are listed. Where the Company acquires its shares pursuant to clauses (3), (5) and (6) of the first paragraph under Article 30, it shall be conducted through publicly centralised trading.

Article 32 Save as otherwise stipulated by laws, administrative regulations and applicable departmental rules as well as the rules of the stock exchanges where the shares of the Company are listed or the Articles of Association, where the Company acquires its shares for purposes set out in clauses (1) and (2) of the first paragraph under Article 30, it shall be subject to approval of the General Meeting; in case of circumstance set out in clause (1), such shares shall be cancelled within ten (10) days from the date of acquisition; in case of circumstances set out in clauses (2) and (4), such shares shall be transferred or cancelled within six (6) months; where the Company acquires its shares pursuant to clauses (3), (5) and (6) of the first paragraph under Article 30, it shall be resolved by more than two-thirds of the directors present at a board meeting; in case of circumstances set out in clauses (3), (5) and (6), the total shares held by the Company shall not exceed 10% of the total shares issued by the Company, and such shares shall be transferred or cancelled within 3 years.

In the event that cancellation of shares is necessary after the Company repurchases its shares pursuant to law, the Company shall apply to the original company registration authority for registration of the change of its registered capital. The amount of the Company's registered capital shall be reduced by the aggregate par value of those shares so cancelled.

Chapter 5 Transfer of Shares

Article 33 The shares of the Company shall be transferred in accordance with the law.

Article 34 The Company shall not accept its shares as the subject of pledges.

Article 35

Shares issued by the Company prior to its public offering shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange. Where laws, administrative regulations, the rules of the securities regulatory authority of the State Council or the stock exchanges where the shares of the Company are listed provide otherwise in respect of the transfer of the shares of the Company held by the shareholders or actual controllers of the listed companies, such provisions shall prevail.

Directors and senior management of the Company shall report their shareholding in the Company and any change thereof to the Company and/or the relevant stock exchanges in accordance with the laws and regulatory rules of the place where the shares of the Company are listed. The number of shares which directors or senior management may transfer every year during their term of office as determined at the time of taking office shall not exceed 25% of the total number of the Company's shares of the same class they hold; and the shares of the Company they hold are not transferable within one year commencing from the date on which the shares of the Company are listed and traded on a stock exchange. The aforementioned personnel shall not transfer their shares in the Company within half a year after they leave office.

Article 36

Transfer of shares by directors and senior management of the Company shall be made in accordance with the laws and regulations and the regulatory rules of the place where the shares of the Company are listed.

Where shareholders, directors and senior management holding over 5% of the shares of the Company, sold their shares or other equity-based securities of the Company within six months after purchase, or purchased within six months after disposal, any gain derived therefrom shall belong to the Company and the Board of Directors shall recollect all such gain, except where a securities company as the underwriter purchases all the unsold shares and therefore holds over 5% of the shares, or in other circumstances as prescribed by the securities regulatory authorities of the place where the shares of the Company are listed.

The shares or other equity-based securities held by the directors, senior management or natural person shareholders referred to in the preceding paragraph shall include such shares or other equity-based securities as held by their spouses, parents, and children, as well as those held through accounts in the names of others.

Where the Board of Directors fails to comply with the provisions of the second paragraph of this article, shareholders have the right to request the Board of Directors to enforce such provisions within 30 days. Where the Board of Directors fails to enforce such provisions within the aforesaid time limit, shareholders shall be entitled to directly initiate legal proceedings in their own names in the People's Court in the interests of the Company. Where the Board of Directors fails to comply with the second paragraph of this article, the responsible directors shall bear joint and several liabilities in accordance with the law.

Chapter 6 Share Certificates and Register of Shareholders

Article 37 The shares issued by the Company shall be in registered form.

Article 38 The shares of the Company may be transferred, donated, inherited and mortgaged in accordance with the relevant laws, administrative regulations and the Articles of Association.

The transfer and assignment of shares shall be registered with the share registrar appointed by the Company.

Article 39 The Company shall keep a register of shareholders in accordance with the certificates provided by the securities registration and clearing institutions, and the register of shareholders shall be sufficient evidence of the ownership of the shares of the Company.

Article 40 The Company may, in accordance with the agreements or understandings between the securities regulatory authority of the State Council and overseas securities regulatory authorities, keep the register of shareholders in relation to overseas listed foreign shares outside the People's Republic of China and shall appoint overseas agencies to manage such register. The original register of shareholders in relation to overseas listed foreign shares of the Company shall be kept in Hong Kong, China. The register of shareholders of foreign shares shall be available for inspection by shareholders of foreign shares, but the Company may suspend the registration of shareholders in accordance with the relevant provisions of the laws of Hong Kong.

Article 41 Where the relevant laws and regulations and the listing rules of the stock exchanges stipulate the period of closure of the register of shareholders prior to the holding of a General Meeting or the record date for the determination of dividend distribution by the Company, such provisions shall prevail.

- Article 42** In the event the Company convenes a General Meeting, distribute dividends, liquidate or engage in activities which require confirmation of the identity of the shareholders, the Board of Directors or the convener thereof shall determine the share registration date. The shareholders of the Company with relevant interests shall be those shareholders registered on the register after the trading period of the share registration date.
- Article 43** The shareholder of overseas listed foreign shares who lost his/her share certificate may apply for the issue of new share certificate in accordance with the laws, stock exchange rules and other relevant regulations of the place where the original register of shareholders in relation to overseas listed foreign shares is kept.

Chapter 7 Rights and Obligations of Shareholders

- Article 44** Shareholders shall enjoy the rights and assume the obligations according to the class of shares held by them. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.
- Article 45** Shareholders holding ordinary shares of the Company shall have the following rights:
- (1) to claim dividends and distribution in any other form in proportion to the number of shares held;
 - (2) to request, to hold, to convene, to chair, to attend or to appoint proxy to attend General Meetings in accordance with the laws and to speak and exercise voting rights at the General Meeting (unless where certain shareholders are required to abstain from voting on specific matters in accordance with the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange and/or relevant laws, administrative regulations, ordinances or regulations);
 - (3) to supervise and manage the business activities of the Company and to put forward proposals and raise inquiries;
 - (4) to transfer, give away or pledge the shares held in accordance with the laws, administrative regulations and the Articles of Association;

- (5) to inspect and make copies of the Articles of Association, register of shareholders, minutes of the General Meeting, resolutions of the Board meeting, financial and accounting reports, and shareholders who meet the requirements may inspect the accounting books and accounting certificates of the Company;
- (6) the right to participate in the distribution of the surplus assets of the Company in proportion to the number of shares held in the event of the termination or liquidation of the Company;
- (7) to demand the Company to acquire shares from a shareholder raising objection to the resolution concerning the merger or division of the Company made at the General Meeting;
- (8) other rights conferred by the laws, administrative regulations and the Articles of Association.

Shareholders proposing to inspect or make copies of the Company's relevant materials shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations.

Article 46

If any resolution made at any General Meeting or Board meeting of the Company contravenes the law or administrative regulations, any shareholder shall be entitled to request the People's Court to void such resolution.

If any convening procedure or voting method of a General Meeting or Board meeting contravenes the law, administrative regulations or the Articles or if the contents of any resolution contravene the Articles, shareholders may request the People's Court to nullify such resolution within 60 days from the date when such resolution has been adopted. However, this shall not apply where there are only minor defects in the convening procedures or voting methods of the General Meeting or Board meeting that do not have a substantive impact on the validity of the resolution.

Where the Board of Directors, shareholders, or other relevant parties have any dispute regarding the validity of a resolution adopted by the General Meeting, such dispute shall be promptly submitted to the People's Court for adjudication. Before a judgment or ruling, such as revocation of the resolution, is rendered by the People's Court, the relevant parties shall perform the resolution adopted by the General Meeting. The Company, directors, and senior management shall diligently perform their duties to ensure the normal operation of the Company.

Where the People's Court issues a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and the provisions of the securities regulatory authorities and the stock exchanges, fully explain the impact, and actively cooperate in the enforcement after the judgment or ruling takes effect. If the matter involves correction of a prior issue, the Company will handle the matter in a timely manner and fulfill the corresponding information disclosure obligations.

Article 47

Any resolution made by the General Meeting or the Board of Directors shall be deemed null and void under any of the following circumstances:

- (1) no General Meeting or Board meeting is convened to make a resolution;
- (2) no voting was conducted at the General Meeting or Board meeting on the matter subject to resolution;
- (3) the number of attendees or the voting rights represented at the meeting did not reach the quorum or voting rights requirements as prescribed by the Company Law or the Articles;
- (4) the number of people voted in favor of the resolution or the voting rights represented did not reach the threshold as prescribed by the Company Law or the Articles.

Article 48

If a director or a senior management other than members of the Independent Audit Committee (Audit Committee) (the “Audit Committee”) violates the law, administrative regulations or any provisions of the Articles when carrying out his/her Company duties that has resulted in losses to the Company, any shareholder holding over 1% of the shares in the Company individually or aggregately for 180 consecutive days may request the Audit Committee in writing to file a lawsuit with the People’s Court. If any member of the Audit Committee violates the law, administrative regulations or the Articles when carrying out his/her Company duties that has resulted in losses to the Company, any aforementioned shareholder may request the Board of Directors in writing to file a lawsuit with the People’s Court.

If the Audit Committee or the Board of Directors refuses to file such lawsuit after a written request under the preceding paragraph has been received from a shareholder, or fails to file such lawsuit within 30 days from the date when the request was received, or the situation is so urgent that failure to file an immediate lawsuit will lead to irreparable losses suffered by the Company, a shareholder who meets the requirements under the previous paragraph may file a lawsuit directly with the People’s Court in his own name, in the interest of the Company.

If a person infringes any lawful interests of the Company that has resulted in losses suffered by the Company, a shareholder who meets the requirements under the first paragraph may file a lawsuit with the People’s Court in accordance with the provisions of two preceding paragraphs.

Where the directors or senior management of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, any shareholder holding over 1% of the shares of the Company individually or aggregately for 180 consecutive days may request the board of directors of the wholly-owned subsidiary in writing to file a lawsuit with the People’s Court or directly file a lawsuit with the People’s Court in its own name in accordance with the Company Law.

Where no supervisory committee or supervisors is established, and instead an audit committee is established by a wholly-owned subsidiary of the Company, the provisions of paragraphs 1 and 2 of this article shall apply.

Article 49

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

- (1) to comply with laws, administrative regulations and the Articles of Association;
- (2) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (3) not to withdraw share capital except for circumstances stipulated by laws and regulations;
- (4) not to abuse the shareholders' rights to impair the interest of the Company or other shareholders; not to abuse the separate legal entity status of the Company and the limited liability of shareholders to impair the interest of creditors;
- (5) other obligations imposed by the laws, administrative regulations and the Articles of Association.

Where a shareholder of the Company abuses shareholders rights and causes losses to the Company or other shareholders shall be liable for compensation in accordance with law. Where a shareholder of the Company abuses the separate legal entity status of the Company and the limited liability of shareholders to evade debts and seriously impair the interest of creditors of the Company shall be jointly and severally liable for the debts of the Company.

Article 50

The controlling shareholders and actual controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, provisions of the securities regulatory authorities and the stock exchanges, in order to safeguard the interests of the Company.

Article 51

The controlling shareholders and actual controllers of the Company shall abide by the following provisions:

- (1) to exercise shareholders' rights in accordance with the law, not to abuse controlling interest, or exploit connected relationships to harm the legitimate rights and interests of the Company or other shareholders;
- (2) to strictly fulfill public declarations and commitments made, without unauthorised changes or waivers;
- (3) to strictly fulfill information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company in information disclosure work, and promptly inform the Company of significant events that have occurred or are planned to occur;
- (4) not to misappropriate the Company's funds in any way;
- (5) not to coerce, instruct, or require the Company and related personnel to provide guarantees in violation of laws and regulations;
- (6) not to seek benefits using the Company's undisclosed significant information, not to disclose any undisclosed significant information about the Company in any way, not to engage in insider trading, short term trading, market manipulation, or other illegal activities;
- (7) not to damage the legitimate rights and interests of the Company and other shareholders through unfair connected transactions, profit distribution, asset reorganisation, external investments, or any other means;
- (8) to ensure the integrity of the Company's assets, personnel independence, financial independence, institutional independence, and operational independence, and not to act in any manner that may compromise the Company's independence;
- (9) other provisions of laws, administrative regulations, provisions of the securities regulatory authorities, rules of the stock exchanges, and the Articles.

The controlling shareholders and actual controllers of the Company who do not serve as directors of the Company but actually carry out the Company's affairs shall be subject to the provisions of the Articles regarding the fiduciary duty and diligence duty of directors.

If the controlling shareholders and actual controllers of the Company instruct directors or senior management to engage in actions that harm the interests of the Company or shareholders, they shall be jointly liable with the director or senior management concerned.

Article 52 If the controlling shareholders and actual controllers pledge the shares of the Company they hold or actually control, they should maintain the controlling rights and ensure stable production and operation of the Company.

Article 53 If the controlling shareholders and actual controllers transfer their shares of the Company, they shall comply with the restrictive provisions on share transfer provided by the laws, administrative regulations, provisions of the securities regulatory authorities and the stock exchanges, as well as the commitments they have made regarding restrictions on share transfers.

Article 54 A controlling shareholder referred to in the Articles means a person who satisfies any one of the following conditions:

- (1) he may alone or acting in concert with others has the power to elect more than half of the directors;
- (2) he may alone or acting in concert with others has the power to exercise 30% or more of the voting rights in the Company or control the exercise of 30% or more of the voting rights in the Company;
- (3) he may alone or acting in concert with others holds 30% or more of the issued shares of the Company;
- (4) he may alone or acting in concert with others has the actual control of the Company in any other manner.

Chapter 8 General Meetings

Article 55 The General Meeting of the Company shall be composed of all shareholders. The General Meeting shall be the organ of authority of the Company and shall exercise its powers according to the laws.

Article 56 The General Meeting shall have the following powers:

- (1) to elect and replace directors and to determine the remuneration of the directors;
- (2) to consider and to approve the report of the Board of Directors;
- (3) to consider and to approve the plan for profit distribution and plan for making up losses;
- (4) to pass resolutions on the increase in or reduction of the registered capital of the Company;
- (5) to pass resolutions on the issue of corporate bonds of the Company;
- (6) to pass resolutions on the mergers, divisions, dissolution, liquidation or change of form of the Company;
- (7) to amend the Articles;
- (8) to approve the appointment or dismissal of the accounting firm engaging in the Company's audit work;
- (9) to consider and approve of the guarantee matters as stipulated in Article 57 of the Articles;
- (10) to consider matters relating to the acquisition and sale of major assets by the Company within one (1) year exceeding 30% of its latest audited total assets;
- (11) to consider and approve of the change of the use of proceeds;
- (12) to review the stock incentive scheme and employee stock ownership scheme;

- (13) to consider and approve other matters to be approved at the General Meeting as required by the laws, administrative regulations, applicable departmental rules and the Articles.

The General Meeting may authorise the Board of Directors to resolve on the issue of corporate bonds.

Article 57

The following guarantees shall be approved at the General Meetings:

- (1) Any additional guarantee provided when the total amount of external guarantees provided by the Company and its controlling subsidiaries reaches or exceeds 50% of the latest audited net assets;
- (2) Any additional guarantee provided when the total amount of external guarantees provided by the Company reaches or exceeds 30% of the latest audited total assets;
- (3) Any guarantee after the amount of guarantees provided by the Company to others within one year has exceeded 30% of the Company's latest audited total assets;
- (4) Any guarantee provided to any guaranteed party with assets-liabilities ratio exceeding 70%;
- (5) Any single guarantee exceeding 10% of the latest audited net assets;
- (6) Any guarantee to be provided to shareholders, actual controllers and their associates.

If a director or senior management violates a provision on the approval authority or review procedure for the provision of external guarantee as specified in laws, administrative regulations or the Articles of Association, thereby causing the Company to sustain losses, he/she shall be liable for damages and the Company may institute a legal action against him/her in accordance with the law.

Article 58

Except under unusual circumstances such as a crisis, and unless previously approved by the General Meeting, the Company shall not enter into a contract with any person other than a director, manager or other senior management of the Company whereby such person undertakes the management and administration of the whole or any substantial part of the business of the Company.

Article 59

The General Meetings are divided into annual General Meeting and extraordinary General Meeting. The General Meetings shall be convened by the Board of Directors. Annual General Meeting shall be held once every year and within six (6) months after completion of the previous accounting year.

Under any of the following circumstances, the Board of Directors shall convene an extraordinary General Meeting within two (2) months from the date upon which the circumstance occurs:

- (1) when the number of directors falls below the requirement under the Company Law or is less than two-thirds of the number as required by the Articles of Association;
- (2) when the losses of the Company which have not been made up amount to one-third of the total paid-up share capital of the Company;
- (3) when shareholders individually or collectively holding 10% or more of the voting rights (including preferred shares with restored voting rights but excluding treasury shares) of the Company request;
- (4) when the Board of Directors deems necessary;
- (5) when the Audit Committee proposes to convene;
- (6) other circumstance as specified in laws, administrative regulations, departmental rules, the listing rules of the stock exchanges where the shares of the Company are listed or the Articles.

Article 60

The Company shall, twenty (20) days before the date of meeting, give written notice of the annual General Meeting; when the Company convenes an extraordinary General Meeting, it shall give written notice fifteen (15) days prior to the date of the meeting, and inform all registered shareholders of the matters to be considered at the meeting and the date and venue of the meeting. Regarding the calculation of the notice period, the date of the meeting shall not be included.

The Company shall hold the General Meetings at its office or other location as specified in the notice of the General Meeting. The venue of the meeting shall be arranged for the General Meeting, and shall be held onsite. The General Meeting may also be held electronically or through a hybrid of both methods, and the Company will also provide online voting to provide convenience to the shareholders.

Subject to the requirements of legality and effectiveness of the General Meeting, and without prejudice to the legitimate interests of domestic and overseas shareholders, the Company may give priority to online voting platform and other means of modern information technology provided in various manners and from various sources, to increase the percentage of participation in the General Meeting by the public shareholders.

Once a General Meeting notice has been issued, the location of the meeting shall not be changed without a legitimate reason. In the event of a change of location, the convener shall make an announcement and explain the reasons at least 2 working days before the date of the meeting.

Article 61

When the Company is to hold a General Meeting, the Board of Directors, the Audit Committee and shareholders who individually or aggregately hold over 1% of the total number of shares of the Company (including preferred shares with restored voting rights) shall be entitled to propose resolutions to the Company.

Shareholders, individually or aggregately, holding over 1% of the total number of shares (including preferred shares with restored voting rights) of the Company shall have the right to propose provisional resolutions to the convener in writing ten (10) days prior to the General Meeting. Subject to compliance with relevant laws, administrative regulations and listing rules of the stock exchanges where the shares of the Company are listed, the convener shall within two (2) days of receipt of the provisional resolutions issue supplemental notice of the meeting to disclose the contents of the provisional resolutions, and submit such provisional resolutions to the General Meeting for consideration. However, this does not apply to provisional resolutions that violate laws, administrative regulations or the Articles of Association, or that fall outside the scope of functions and powers of the General Meeting.

Except for circumstances provided in the preceding paragraph, the convener may not make any changes to the resolutions set forth in the notice of the General Meeting or add any new resolutions once the notice and announcement of the General Meeting have been issued.

The content of such resolutions shall fall within the scope of the duties of the General Meeting, have a clear topic for discussion and specific matters for resolutions, and comply with the relevant provisions of laws, administrative regulations, the listing rules of the stock exchanges where the shares of the Company are listed and the Articles.

No voting or passing of resolution shall be made at the General Meeting on resolutions which are not stated in the notice of the General Meeting or do not comply with the provisions of the preceding paragraph.

Article 62

Notice of the General Meetings shall include the following information:

- (1) the date, place and duration of the meeting;
- (2) the matters and resolutions to be considered at the meeting;

- (3) make a clear written statement that all ordinary shareholders (including shareholders holding preferred shares with restored voting rights), shareholders holding shares with special voting rights shall have the right to attend the General Meeting, and have the right to appoint proxies in writing to attend the meeting and to vote and that such shareholder proxies need not be shareholders;
- (4) share registration date of shareholders who have the right to attend the General Meeting;
- (5) the name and telephone number of the permanent contact person of the General Meeting;
- (6) time and procedures of voting by way of internet or other means.

Article 63

Notice of the General Meeting shall be given to the shareholders (whether or not entitled to vote at the General Meeting) in the manners as prescribed in Article 190 of the Articles. In the case of delivering by hand or by prepaid mail, the notice shall be delivered to the addresses of the shareholders as shown in the register of shareholders. Notice of the General Meeting may be given by way of public announcement. For the notice, materials or written statements of the General Meeting to shareholders, once published on the websites of the stock exchanges where the shares of the Company are listed and the website of the Company, all shareholders shall be deemed to have received the relevant notices, materials or written statements of such General Meeting.

Article 64

The accidental omission to give a notice of a meeting to or the non-receipt of notice of a meeting by any person who is entitled to receive the notice shall not invalidate the meeting and the resolutions passed at such meeting.

Article 65

All shareholders registered on the shares registration date or their proxies shall have the right to attend the General Meeting and exercise voting rights in accordance with relevant laws, regulations and the Articles. Shareholders may attend the General Meeting in person or, alternatively, appoint a proxy to attend and vote on their behalves. If the shareholder who has the right to attend and vote at the General Meeting is a corporate shareholder, such shareholder may appoint a representative as its proxy to attend and vote on its behalf. If such shareholder has appointed a representative to attend any General Meeting, such shareholders shall be deemed to have attended in person. Hong Kong Securities Clearing Company Limited shall have the right to appoint proxies or corporate representatives to attend General Meetings and creditors' meetings, and these proxies or corporate representatives shall enjoy the same rights as other shareholders, including the right to speak and vote at General Meetings.

Article 66

If a shareholder attends the meeting in person, such shareholder shall produce his/her identity card or other valid documents or proof that can prove his/her identity. A proxy attending the meeting on behalf of a shareholder shall produce his/her valid identity document and the authorisation letter given by such shareholder.

In the case of a corporate shareholder, the legal representative or a proxy appointed by such legal representative may attend the meeting. If the legal representative attends the meeting, such legal representative shall produce his/her identity card and valid proof of his/her legal representative status; if a proxy attends the meeting, such proxy shall produce his/her valid identity card and a written authorisation letter issued by the legal representative of the corporate shareholder in accordance with the law.

Article 67

Where the instrument appointing a proxy is signed by a person authorised by the appointor, the authorisation letter or other authorisation documents relating to the signing authorisation shall be notarised. A notarially certified copy of the authorisation letter or other authorisation document together with the instrument appointing a proxy shall be deposited at the registered office of the Company or such other place as specified in the notice of the meeting or provided to the Company through alternative means (such as electronic means) on the premise that the laws and regulations of the place where the Company is registered and the place where the shares of the Company are listed, as well as the listing rules of the stock exchanges where the shares of the Company are listed are not violated.

- Article 68** An authorisation letter issued by a shareholder to appoint another person to attend the General Meeting shall contain the following items:
- (1) the name of the principal, and the class and number of the shares of the Company held by the principal;
 - (2) the name of the proxy;
 - (3) specific instructions from the shareholder, including instructions to vote for or against or abstain from voting on each matter included in the agenda of the General Meeting;
 - (4) the date of issuance of the authorisation letter and its validity period;
 - (5) the signature (or seal) of the principal. In the case of a corporate shareholder, the common seal of the corporation shall be affixed.
- Article 69** Any form issued to a shareholder by the Board of Directors for appointing a proxy shall enable the shareholder, according to his intention, to instruct the proxy to vote in favour, against or abstain from voting on, and to give separate instructions on the resolutions to be voted on at the meeting.
- Article 70** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or loss of capacity of the principal or revocation of the proxy or power of authority or other authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, incapacity, revocation or transfer as aforesaid shall have been received by the Company before the commencement of the meeting at which the proxy is used.
- Article 71** Resolutions of the General Meeting are divided into ordinary resolutions and special resolutions.
- Ordinary resolutions of the General Meeting shall be adopted by a majority of the voting rights held by the shareholders present at the meeting.

Special resolutions of the General Meeting shall be adopted by at least two-thirds of the voting rights held by the shareholders present at the meeting.

The shareholders referred to in this article shall include shareholders who attend the General Meeting by proxy.

Voting at the General Meeting shall be conducted by a registered poll. Shareholders (including shareholder proxies) present at the meeting shall expressly indicate one of the following in response to each matter requiring voting: for, against or abstention. If votes are not completed or wrongly completed or handwriting on votes are unidentifiable or votes are not cast, corresponding voters shall be deemed to have waived voting right and result of voting based on each share with voting rights shall be deemed as “abstention”.

Where any member is, under the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange and/or any relevant laws, administrative regulations or rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

The Company may, if allowed under the technical requirements, provide means for the shareholders to vote through internet or by other means, in accordance with laws, administrative regulations, applicable departmental rules and the listing rules of the stock exchanges where the shares of the Company are listed, so as to facilitate the shareholder to attend the General Meeting and to vote.

Closing time of the on-site General Meeting shall not be earlier than that of the meeting held through internet or other means. The meeting presider shall announce voting status and result of each resolution and announce whether resolutions are adopted in accordance with voting results on the site of the meeting. Before official release of voting results, the Company, vote counters, voter scrutinisers, shareholders and internet service provider involved in voting on the site of the General Meeting, through internet or other means shall keep the voting status confidential.

Article 72

For the purpose of voting at the General Meeting, a shareholder (including proxy) shall exercise voting rights in accordance with the number of shares with voting rights represented by him/her. Each share shall have one vote, except where special provisions apply to class shareholders.

The shares of the Company held by the Company shall not carry voting rights, and those parts of shares shall not be counted in the total number of shares carrying voting rights at the General Meeting. If a shareholder acquires voting shares of the Company in violation of the relevant provisions of the Securities Law, the voting rights of the shares outside of the regulated proportion shall not be exercised within 36 months from the date of acquisition, and such shares shall not be counted into the total number of shares with voting rights present at the General Meeting.

At the time of reviewing material issues in the General Meeting, which have effect on the interests of small and medium sized shareholders, the votes of small and medium sized shareholders shall be counted separately. The separate voting results shall be timely disclosed to public.

The chairman of the General Meeting shall ensure that the detailed procedures for voting by poll are explained to shareholders at the meeting and answer any questions from shareholders regarding voting by poll. When the General Meeting deliberates on connected transactions, connected shareholders shall not participate in voting, and the number of shares with voting rights represented by them shall not be included in the total number of shares with voting rights at the General Meeting; the announcement on the resolutions of the General Meeting shall fully disclose the voting results of non-connected shareholders.

Article 73

The following matters shall require the passing of an ordinary resolution at the General Meeting:

- (1) the working reports of the Board of Directors;
- (2) profit distribution plan and plan for making up losses prepared by the Board of Directors;
- (3) the appointment and removal of the members of the Board of Directors as well as their remuneration and method of payment;

- (4) any other matters except those required to be passed by special resolutions as prescribed by the laws, administrative regulations or the Articles of Association.

Article 74

The following matters shall require the passing of a special resolution at the General Meetings:

- (1) the increase in or reduction of the share capital of the Company;
- (2) the demerger, spin-off, merger, dissolution, and liquidation of the Company;
- (3) purchases, disposals of major assets within one year or provision of guarantees to others which exceed 30% of the latest audited total assets of the Company;
- (4) the amendment of the Articles;
- (5) share incentive scheme;
- (6) other matters which are required by laws, administrative regulations, and the Articles of Association, and which have been passed by way of ordinary resolutions at the General Meeting, and which are considered to have significant effect on the Company shall be approved by way of special resolutions.

Article 75

When the General Meeting votes on the election of directors, cumulative voting shall be adopted, except for the election of one director.

The term “cumulative voting” referred to in the preceding paragraph means that, when the General Meeting votes to elect directors, each share carries the same number of votes as the number of directors to be elected, and a shareholder may cluster his or her voting rights.

When the cumulative voting system is implemented for voting at the General Meeting, the following principles shall be followed:

- (1) The number of candidates for directors may be more than the number of directors to be elected at the General Meeting, but the number of candidates to be voted by each shareholder shall not exceed the number of candidates to be elected at the General Meeting, and the total number of allocated votes shall not exceed the number of votes owned by the shareholders. Otherwise, such vote shall be invalidated;
- (2) Independent directors and non-independent directors shall be voted on separately. During the election of independent directors, the number of votes each shareholder is entitled to receive is equal to the product of the number of shares they represent and the number of independent directors to be elected, and these votes may only be cast for the independent director candidates of the Company. When electing non-independent directors, the number of votes each shareholder is entitled to receive is equal to the product of the number of shares they represent and the number of non-independent directors to be elected, and these votes may only be cast for non-independent director candidates of the Company;
- (3) The final elected candidates are determined based on the order of the number of the votes received by the director candidates, but the minimum number of votes for each elected candidate must exceed half of the total number of shares represented by shareholders (including proxies) attending the General Meeting. If the number of elected directors is less than the number of directors proposed to be elected at the General Meeting, all candidates who do not have enough votes shall be voted on again to fill the vacancy. If the votes are still insufficient, a by-election shall be conducted at the next General Meeting. If two or more director candidates have the same number of votes, but only a portion of them may be elected due to the limitation of the number of candidates to be elected, the director candidates with the same number of votes shall be voted on again separately.

For the election of independent directors, the voting results of small and medium sized shareholders shall be separately counted and disclosed. For the election of two or more independent directors, a cumulative voting system shall be implemented.

If a resolution on the election of a director is passed at a General Meeting, the appointment of the new director shall become effective on the date the relevant resolution is passed at the General Meeting.

Article 76

The Board of Directors, independent directors, and shareholders who meet the relevant prescribed conditions or investor protection institutions established in accordance with laws, administrative regulations or the requirements of the securities regulatory authorities may publicly solicit voting rights of shareholders. Specific voting intentions and any other relevant information shall be disclosed to the subjects of solicitation when soliciting voting rights of shareholders. Solicitation of voting rights shall not be conducted on a fee basis, or on a fee basis in a disguised form. Except under statutory conditions, the Company shall not impose a minimum shareholding percentage requirement on solicitation of voting rights. The persons soliciting voting rights of shareholders shall comply with the regulations of the regulatory authorities and the stock exchanges where the shares of the Company are listed and traded.

Any resolution adopted at a General Meeting shall comply with the relevant provisions of the laws of the People's Republic of China, administrative regulations and the Articles of Association.

Article 77

The procedures for convening an extraordinary General Meeting by the independent directors, the Board of Directors, the Audit Committee, or qualified shareholders are as follows:

- (1) With the approval of more than half of all independent directors, the independent directors shall have the right to propose to the Board of Directors to convene an extraordinary General Meeting. In terms of proposal from independent directors to convene an extraordinary General Meeting, the Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary General Meeting within 10 days after receipt of the proposal. If the Board of Directors agrees to convene an extraordinary General Meeting, it shall issue a notice for such General Meeting within 5 days after the Board resolutions are made; if the Board of Directors does not agree to convene an extraordinary General Meeting, reasons shall be stated and a public announcement shall be made.

- (2) The Audit Committee may propose to the Board of Directors in writing that an extraordinary General Meeting be convened. The Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene an extraordinary General Meeting within 10 days after receipt of the proposal. If the Board of Directors agrees to convene an extraordinary General Meeting, it shall issue a notice for such General Meeting within 5 days after the Board resolutions are made. The consent of the Audit Committee shall be obtained if any change is to be made to the original resolution in the notice. If the Board of Directors does not agree to convene an extraordinary General Meeting, or fails to give a written response within 10 days after receipt of the proposal, it shall be deemed to be unable to or have refused to perform its duty of convening the General Meeting, and the Audit Committee may itself convene and preside over such meeting.
- (3) Shareholders holding, individually or aggregately, 10% or more of the voting rights (including preferred shares with restored voting rights but excluding treasury shares) may make a request to the Board of Directors in writing to convene an extraordinary General Meeting and state the objects of the meeting. The Board of Directors shall give written opinions of agreeing or disagreeing to hold the General Meeting within ten (10) days upon receipt of the written request. If the Board of Directors agrees to convene the General Meeting, it shall issue the notice of the General Meeting within five (5) days after the Board resolution. Consent from the relevant shareholders shall be obtained for any amendment to the original resolutions in the notice. If the Board of Directors disagrees to convene the General Meeting or does not give written opinions within ten (10) days upon receipt of the request, shareholders holding, individually or aggregately, 10% or more of voting rights (including preferred shares with restored voting rights but excluding treasury shares) shall have the right to propose to the Audit Committee in writing to convene an extraordinary General Meeting. The Audit Committee shall give the notice of the General Meeting within five (5) days upon receipt of the request in case of agreeing to convene the General Meeting. Consent from the relevant shareholders shall be obtained for any amendment to the original resolutions in the notice. The Audit Committee shall be deemed not to convene and preside over the General Meeting if the Audit Committee does not

give the notice of the General Meeting within the stipulated period, and shareholders holding, individually or aggregately, 10% or more of the voting rights (including preferred shares with restored voting rights but excluding treasury shares) over ninety (90) consecutive days may convene and preside over the meeting.

Where the Audit Committee or shareholders decide(s) to itself/ themselves convene a General Meeting, it or they must notify the Board of Directors in writing, and file with the stock exchanges in accordance with the regulatory requirements of the places where the shares of the Company are listed.

Prior to the announcement of the resolutions of the General Meeting, the proportion of voting rights of the Company held by the convening shareholders shall not be less than 10%.

The Audit Committee or the convening shareholders shall submit relevant supporting materials to the stock exchanges in accordance with the regulatory requirements of the places where the shares of the Company are listed when issuing the notice of the General Meeting and the announcement on the resolutions of the General Meeting.

As for the General Meeting convened by the Audit Committee or shareholders, the Board of Directors and the secretary of the Board of Directors shall cooperate. The Board of Directors shall provide a register of shareholders prepared at the date of shares registration. If the Board of Directors fails to provide a register of shareholders, the convener may apply to a securities registration and clearing institution for the register with the related public announcement about holding a General Meeting. Register of shareholders obtained by the convener shall not be used for purposes other than holding a General Meeting.

Article 78

When a General Meeting requires the directors and senior management to attend the meeting as a non-voting attendees, the directors and senior management shall attend the meeting in a non-voting capacity and respond to shareholders' inquiries.

The chairman of the Board of Directors shall invite the chairmen of the special committees of the Board of Directors to attend the annual General Meeting. If the chairman of the relevant committee is unable to attend, the chairman shall invite another member (or, if the member is unable to attend, his/her duly appointed

representative) to attend. Such person shall answer questions at the annual General Meeting. The Company's management shall ensure that external auditors attend the annual General Meeting to answer questions related to audit work, preparation of auditor reports and their contents, and accounting policies, and independence of the auditor.

The chairman of the Audit Committee shall respond to questions at the General Meeting approving connected transactions or any other transactions that require approval from independent shareholders.

A General Meeting shall be presided over by the chairman of the Board of Directors. Where the chairman of the Board of Directors is unable to attend for any reason, such meeting shall be presided over by the vice chairman of the Board of Directors. Where the chairman and vice chairman of the Board of Directors are unable to attend, a director jointly elected by a majority of the directors shall preside over the meeting.

A General Meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee does not perform the duty or cannot perform the duty, a majority of the members of the Audit Committee shall choose a member of the Audit Committee to preside over such meeting.

A General Meeting convened by the shareholders shall be presided over by a person who is nominated by the person convening the meeting.

When a General Meeting is held, if the chairman of the meeting violates the Articles, such that the General Meeting is unable to proceed, with the consent of shareholders holding more than one half of the voting rights present at the General Meeting, the General Meeting may elect a person to serve as chairman of the meeting and the meeting shall continue.

The convener shall ensure that the General Meeting continues until the final resolution has been adopted. If a General Meeting is suspended or if it is unable to reach a resolution due to special reasons such as force majeure, necessary measures shall be taken to resume the General Meeting as soon as possible or the General Meeting shall be directly adjourned and the same shall be announced in a timely manner. At the same time, the convener shall report to the office of the securities regulatory authorities and the stock exchanges of the places where the Company is located.

The resolution of the General Meeting shall be announced in a timely manner, and the announcement shall specify the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held, the proportion to the total number of shares with voting rights of the Company, the voting method, the voting results of each resolution, and the detailed information of each resolution passed.

If a resolution is not passed, or if the current General Meeting amends a resolution from a previous General Meeting, a special note shall be included in the announcement of resolution of the current General Meeting.

The Board of Directors and the Audit Committee shall report on its work during the past year to the General Meeting at the annual General Meetings. Each independent director shall also give a report on the performance of his or her duties.

Article 79

If the chairman of the meeting has any doubt as the result of a resolution put to the vote at the meeting, he may take a poll vote. If the chairman of the meeting fails to take a poll vote, any shareholder who is present in person or by proxy and who objects to the results announced by the chairman of the meeting may demand a poll vote immediately after the declaration of the result, and the chairman shall take a poll vote forthwith.

Article 80

The secretary of the Board of Directors shall cause minutes in respect of every General Meeting to be made. The meeting minutes shall record the following particulars:

- (1) the date of, the venue of, and the agenda for, the meeting, and the name of the convener;
- (2) the names of the chairman of the meeting and of the directors and senior management attending the meeting or present as non-voting attendees;
- (3) the number of shareholders and proxies present at the meeting, the total number of shares with voting rights, and the proportion to total number of shares of the Company (the attendance of domestic shareholders (including proxies) and domestic listed foreign shareholders (including proxies) at the General Meeting shall be recorded separately);

- (4) the deliberations on each resolution, key points of each speaker's statements thereof and the voting results (the voting results of domestic shareholders and domestic listed foreign shareholders on each resolution shall be recorded separately);
- (5) the queries and suggestions of the shareholders and the relevant replies or explanations;
- (6) the names of lawyers, vote counters and vote scrutinisers;
- (7) other particulars that shall be included in the meeting minutes as required by relevant laws, regulations, normative documents, and the Articles.

The convener shall ensure that the meeting minutes are true, accurate and complete. The minutes shall be signed by the directors, secretary of the Board of Directors, person convening the meeting or its representatives, chairman of the meeting present at or attending the meeting. Minutes of a meeting shall be written in Chinese. Minutes together with the shareholders' attendance lists and instruments appointing proxies and valid information on votes cast online or by other means shall be kept together for a period of not less than 10 years.

Chapter 9 Special Procedures for Voting by Class Shareholders

Article 81 Shareholders of different classes of shares shall be classified as class shareholders.

Class shareholders shall have rights and shall undertake obligations pursuant to the provisions of the laws, administrative regulations and the Articles of Association.

Article 82 The rights attached to any class of shares may be varied or abrogated with the sanction of a special resolution passed at the General Meeting and by holders of shares of the affected class passed at a separate General Meeting of the holders of shares of the class convened in accordance with Article 84 to Article 88.

Article 83

The following shall be considered as a variation or abrogation of the rights of class shareholders:

- (1) to increase or reduce the number of shares in that class or to increase or reduce the number of shares in a class of shares which have rights on voting, distribution or other privileges equal or superior to that class of shares;
- (2) to exchange all or a portion of shares of that class for shares of another class, or to exchange all or a portion of the shares of another class for shares of that class or to grant the rights to exchange the same;
- (3) to cancel or reduce the rights to claiming all the accrued dividends or cumulative dividends of shares of that class;
- (4) to reduce or cancel the preferential rights of that class to claim the dividends or the preference to distribution of assets upon the liquidation of the Company;
- (5) to increase, cancel or reduce the rights to conversion of shares, options, voting rights, rights of transfer, pre-emptive rights and the rights to acquire the securities of the Company of that class;
- (6) to cancel or reduce the rights to receive the monies payable by the Company in a particular currency of that class;
- (7) to create a new class of shares which have the rights to voting, distribution or other privileges equal or superior to that class of shares;
- (8) to restrict or to impose more restrictions on the transfer or ownership of that class of shares;
- (9) to issue options or rights on subscription for or conversion of shares into that class or another class of shares;
- (10) to increase the rights and privileges of another class of shares;
- (11) to re-structure the Company in such a way that different class shareholders will undertake disproportionate obligations under the proposed restructuring;
- (12) to vary or abrogate the provisions of in this chapter.

- Article 84** The class shareholders so affected, whether or not otherwise having voting rights at a General Meeting, shall be entitled to vote at the class meeting involving matters provided in items (2) to (8) and (11) to (12) of Article 83, provided that any connected shareholders shall not be entitled to vote at the class meeting.
- Article 85** Resolution of a class meeting shall be passed by more than two-thirds of the shares with voting rights held by the class shareholders present at the meeting and entitled to vote according to Article 84.
- Article 86** The Company shall, give written notice of the class meeting in accordance with the notification period requirements with respect to the convening of extraordinary General Meetings as stipulated in Article 60 of the Articles of Association and inform all registered shareholders of that class of the matters to be considered at the class meeting and the date and venue of the class meeting.
- Article 87** The notice of a class meeting shall only be given to the shareholders who are entitled to vote at such meeting only.
- The proceedings of a class meeting shall be as similar as possible as that of a General Meeting. The provisions in the Articles of Association relating to the proceedings of a General Meeting shall apply to the class meeting.

Chapter 10 The Party Committee of the Company

- Article 88** In accordance with the provisions of regulations such as the Constitution of the Communist Party of China and the Regulations on the Work of Primary Organisations of the Communist Party of China in State-owned Enterprises (Trial), and with the approval of the higher-level Party organisation, the Company established the Party Committee of Jiangxi Copper Company Limited. Concurrently, the Party Disciplinary Committee has been established in accordance with the relevant regulations.
- Article 89** The Party Committee of the Company shall be elected in the meeting of the Party members' representatives, with each term generally lasting for five years. At the end of the term, re-election shall be held as scheduled. Party Disciplinary Committee shall serve the same term as the Party Committee.

- Article 90** The Party Committee of the Company shall consist of nine members, including one secretary of the Party Committee, two vice secretaries of the Party Committee, and one secretary of the Party Disciplinary Committee.
- Article 91** The Company and its subsidiaries shall establish Party organisations, appoint staff for Party affairs and carry out Party work to effectively leverage the role of Party organisations and as Party members. The establishment of the Party organisation and its personnel allocations shall be incorporated into the Company's management organisation and the formation thereof, and full-time staff engaging in Party affairs shall be appointed at a ratio of no less than 1% of the total number of employees. The Company shall include expenses of the Party organisation in the Company's budget, which will be disbursed from the Company's management fee at a ratio of no less than 1% of the total employee remunerations of the year before.
- Article 92** The Party Committee of the Company shall play a leading role in setting the direction, overseeing the overall situation, ensuring implementation, and shall discuss and decide on major issues of the Company in accordance with the regulations. Its main responsibilities shall be:
- (1) to enhance the political establishment of the Party in the Company, 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's Thought on Socialism with Chinese Characteristics for a New Era, learn and propagate the Party's theory, thoroughly implement the Party's vision, principles and policies as well as supervise and guarantee the implementation of major decisions and strategic deployments of the Party Central Committee as well as the resolutions of the Party organisation at a higher level in the Company;

- (3) to study and discuss the major operation and management issues of the Company and support the General Meeting, the Board of Directors and the management in performing their functions and exercising their powers in accordance with the laws;
- (4) to strengthen the leadership and control in the appointment and personnel management of the Company, and the building of the leading team, cadres team and talents team of the Company;
- (5) to perform the main responsibility in protecting integrity and clear governance within the Company organisation, lead and support disciplinary organisations to fulfil their supervisory and disciplinary responsibilities as well as exercise strict administrative discipline and political extrusion of rules and promote extension of full and strict governance over the Party to the grassroots level;
- (6) to strengthen the establishment of grassroots-level Party organisations and the team building Party members, unite and lead employees to actively engage in the reform and development of the Company;
- (7) to play a leading role in ideological and political work and the establishment of the cultures and ethics as well as unite front-line work of the Company and lead the mass organisations such as the labor union, the Communist Youth League and Women's Association of the Company;
- (8) to discuss and decide other material matters within the scope of the Party Committee's responsibilities.

Article 93

A list of material operational and management matters shall be established in accordance with relevant regulations. Material operational management and matters shall be reviewed and discussed by the Party Committee in advance, and then decided upon by the Board of Directors, the management, and other relevant parties in accordance with their respective authorities and prescribed procedures.

Article 94

By insisting on and improving the leadership mechanism of “Dual Entry and Cross Appointment”, eligible members of the Party Committee may take seats in the Board of Directors and the management through statutory procedures, while eligible members of the Board of Directors and the management who are also Party members may take seats in the Party Committee in accordance with relevant requirements and procedures. Generally, the position of the secretary of the Party Committee and the chairman of the Board of Directors shall be assumed by the same person. The president of the Party members shall also serve as the vice secretary of the Party Committee. Upon approval, the Party Committee shall appoint a full-time vice secretary who is specifically responsible for Party building work. The full-time vice secretary shall generally be a member of the Board of Directors.

Chapter 11 Board of Directors**Article 95**

There shall be a Board of Directors comprising 11 directors, including one employee representative director. The Board of Directors shall have one chairman and one or two vice chairmen and one or more executive directors. Executive directors shall manage the affairs authorised by the Board of Directors. At least one-third of the Board of Directors shall be independent (non-executive) directors (i.e. directors who are independent of the shareholders of the Company and are not employees of the Company), at least one of them shall be an accounting professional who has appropriate professional qualifications or has appropriate accounting or related financial management expertise as required by the listing rules of the stock exchanges where the shares of the Company are listed.

The Company may establish several special committees of the Board of Directors if necessary.

Article 96

Directors shall be elected or replaced at the General Meeting, each term of office shall be three years. Upon the expiry of the term, a director shall be eligible for re-election. However, independent directors shall not serve continuously for more than six years. The employee representative director shall be elected by the Company’s employees through the employee representative meeting, employee meeting, or other democratic methods.

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 incumbent Board of Directors. If an election is not timely held at the expiration of the term of office of a director, the incumbent director shall continue to perform his or her duties as a director in accordance with laws and the Articles of Association until the incoming director takes office.

Subject to the relevant laws and administrative regulations and the rules and regulations of the relevant regulatory bodies as formulated from time to time, the General Meeting may by an ordinary resolution remove a director before the expiration of his or her term of office but without prejudice to any claim for damages under any contract.

The chairman and vice chairman (nominated by the chairman) shall be elected and removed by a simple majority of all the directors. The term of office for the chairman and vice chairman shall be three years and they shall be eligible for re-election.

A non-independent director may assume the office of senior management of the Company, but the total number of directors who are also in the posts of senior management, together with directors who are employee representative directors, shall not exceed half of the total number of directors of the Company.

A director shall not be required to hold any shares of the Company.

Article 97

The Board of Directors shall be responsible to the General Meeting and shall have the following powers and duties:

- (1) to be responsible for convening General Meetings and to report on its work to the General Meeting;
- (2) to implement resolutions of the General Meeting;
- (3) to determine the business plans and investment proposals of the Company;
- (4) to consider and approve the annual financial budgets of the Company;
- (5) to prepare plans for profit distribution and plans for making up losses for the Company;

- (6) to formulate the proposals for the increase in and reduction of registered capital and the proposals for the issuance of bonds or other securities of the Company or for listing;
- (7) to formulate proposals for major acquisitions and disposals, proposals for repurchase of shares of the Company, merger, division and dissolution or the change of formation of the Company;
- (8) to decide on matters such as the Company's external investments, acquisitions and disposals of assets, pledges on asset, external guarantees, entrusted financial management, connected transactions, external donation, to the extent authorised by the General Meeting;
- (9) to decide on the internal management structure of the Company;
- (10) to employ or dismiss the manager, secretary of the Board of Directors, and decide on their remuneration, rewards and punishments; and to engage or dismiss the vice manager, officer in charge of financial matters and other senior management on the basis of nominations from the manager and to determine their remunerations and rewards and punishments;
- (11) to set up the basic management systems of the Company;
- (12) to formulate proposals for amendments of the Articles of Association;
- (13) to manage the disclosure of information of the Company;
- (14) to propose to the General Meeting to engage or replace the accounting firm which undertakes auditing work for the Company;
- (15) to consider the report from the manager of the Company and to check the manager's work;
- (16) to decide on other major issues and administrative matters of the Company other than those required by the Company Law and the Articles of Association to be resolved at the General Meetings, and to execute other major agreements;

(17) other powers conferred by the General Meeting and the Articles of Association.

Except for the matters specified in items (6), (7) and (12) above and others which shall be passed by two-thirds or more of the directors as required by laws, administrative regulations and the listing rules of the stock exchanges where the shares of the Company are listed, directors' resolutions in respect of all the other matters above may be passed by a majority of the directors. For those within the scope of material issues involving decision-making of the Party Committee of the Company, the Board of Directors shall take opinion and advice from the Party Committee of the Company in advance.

Article 98

Where the board of directors disposes of the Company's fixed assets, if the aggregate of the expected value of the proposed disposal and the received value of the fixed assets of the Company which have been disposed of in the period of four (4) months immediately preceding the proposed disposal exceeds 33% of the value of the fixed assets as shown in the latest balance sheet laid before the Company in the General Meeting, the Board of Directors shall not dispose of or agree to dispose of the said fixed assets without the prior approval of the General Meeting.

The proposed disposal of fixed assets referred to in this article shall include the acts of transferring certain interests of the assets but exclude the acts of charging that fixed assets by way of guarantee.

The validity of the transaction on the disposal of fixed assets by the Company shall not be affected by the breach of the first paragraph of this article.

Article 99

The chairman shall have the following powers and duties:

- (1) to preside over the General Meeting and to convene and preside over the meeting of the Board of Directors;
- (2) to supervise, examine the implementation of the resolutions of the Board of Directors;
- (3) to sign the securities issued by the Company;
- (4) other powers conferred by the Board of Directors.

The Board of Directors shall not delegate the statutory powers to be exercised by the Board of Directors to the chairman or managers.

The vice chairman of the Company shall assist the chairman, when the chairman is unable to perform his or her duties or fails to perform his or her duties, the vice chairman shall perform the same on behalf of the chairman (where the Company has two vice chairmen, the vice chairman who has been chosen by a majority of the directors shall act as vice chairman to perform the duties of the chairman); where the vice chairman is unable to perform the duties or fails to perform the duties, the director who has been chosen by a majority of the directors shall perform the duties.

Article 100

The Board meeting shall be held at least four times every year and shall be convened by the chairman. The notice for the Board meeting shall be given to all directors fourteen days in advance. In case of emergency, extraordinary meeting of the Board of Directors may be convened at the request of shareholders holding more than one-tenth of the voting rights, more than one-third of the directors, more than half of the independent directors, the Audit Committee or the managers of the Company.

Article 101

Notice of the Board meeting shall be served in the following manners:

- (1) Where the time and place of regular meeting of the Board of Directors have been fixed by the Board of Directors in advance, no notice shall be served.
- (2) Unless otherwise specified by Article 190, where the time and place of the Board meeting have not been fixed by the Board of Directors in advance, notice of the Board meeting specifying the time and place of the meeting shall be given by the secretary of the Board of Directors to the directors by email, telex, cable, facsimile, express courier service, registered mail or by hand or by a manner permitted by the stock exchanges where the shares of the Company are listed at least 14 days (for regular meetings) or 3 days (for extraordinary meetings) before the meeting.
- (3) The notice shall be in Chinese and, if necessary, an English version of the same shall be enclosed therein and the notice shall include time limitation, reasons, agenda of the meeting and the date of issuing the notice.

Article 102

A director shall be deemed to have received the notice of meeting if he or she is present at the meeting and does not raise the issue of the non-receipt of such notice prior to or at the time of his or her arrival at the meeting.

Subject to ensuring the full expression by the directors of their opinions, the Board meeting may be held by means of telecommunication and to pass resolutions, and shall be signed by attending directors. If the number of directors who sign to agree reaches the required number required by laws and regulations, an effective resolution shall be formed, and all such directors present shall be deemed to be present in person at the meeting.

Article 103

The quorum of the Board meeting shall be a majority of the directors (including those directors who have been appointed in writing by other directors to attend the meeting on their behalf under the Articles of Association). Each director shall have one vote. Resolutions of the Board meeting shall be passed by a majority of all the directors except as specifically provided in Article 97 of the Articles.

If the director has a connected relationship with the enterprise involved in the matters to be resolved at the Board meeting, the director shall promptly report to the Board of Directors in writing. A connected director shall not exercise voting rights on that resolution and shall not act as a proxy to exercise voting rights on behalf of other directors. If he purports to do so, his vote shall not be counted, unless permitted by the laws, administrative regulations, the rules or regulations of the relevant regulatory bodies. Such Board meeting may be held with the attendance (not written resolutions) of more than half of the non-connected directors, and resolutions made at the Board meeting must be passed by more than half of the non-connected directors. If less than three non-connected directors attend the Board meeting, the matter shall be submitted to the General Meeting for consideration.

Article 104

A director shall attend the Board meeting in person. Where the director is unable to attend the meeting, he/she may appoint in writing another director to attend the same on his/her behalf. The appointing instrument shall specify the name of the proxy, the matters entrusted, the authorised scope and the period of validity, and shall be signed or sealed by the principal. Independent directors shall not appoint non-independent directors to vote on their behalf.

The proxy director at the Board meeting shall exercise the director's right within the scope of authorisation. Any director who fails to attend a Board meeting without appointing any proxy is deemed to have waived his voting right at the particular meeting.

If a director fails to attend two consecutive Board meetings in person and does not delegate another director to attend on his/her behalf, he/she shall be deemed to be unable to fulfill his/her duties, and the Board of Directors shall propose the removal of such director at the General Meeting.

The expenses incurred by the directors in attending a Board meeting shall be borne by the Company. Such expenses include offsite transportation fees between the location of the director and the place of the Board meeting and charges for accommodation and meals during the period of the Board meeting. Miscellaneous expenses such as rental of the venue of the meeting and local transportation fees shall also be borne by the Company.

Article 105

The Board of Directors shall cause the matters resolved at the Board meeting and director's resolution passed to be recorded in Chinese language in form of minutes. The minutes of the Board meeting shall be kept as records of the Company for a period of not less than ten years.

The directors shall be responsible for the resolution passed by the Board of Directors. Where any resolution of the Board of Directors contravenes the laws, administrative regulations, the Articles of Association or resolutions passed at General Meetings, the directors involved in passing such resolution shall be liable to indemnify the Company for losses sustained by the Company as the consequences of such contravention.

Article 106

A director may resign before the expiry of his/her term of office. The resigning director shall submit to the Board of Directors a written resignation. The resignation shall take effect on the date the Company receives the resignation report, and the relevant details shall be disclosed by the Board of Directors within two trading days. In case that the number of directors falls below the minimum statutory requirement as a result of the resignation of a director, the existing directors shall continue to perform their duties in accordance with laws, administrative regulations and departmental rules and the Articles of Association until the newly elected directors take office.

Article 107 The General Meeting may resolve to remove a director, and such removal shall take effect on the date of passing the resolution. If a director is removed before the expiration of his or her term without justifiable reason, the director may request compensation from the Company.

Article 108 No directors shall act, in their personal capacity, on behalf of the Company or the Board of Directors beyond the provisions of the Articles of Association or without appropriate authorisation by the Board of Directors. The director shall, when acting in his or her personal capacity, declare his or her positions and identities in advance if a third party has reasons to believe that the said director is acting on behalf of the Company or the Board of Directors.

Article 109 If a director, in the performance of his or her duties for the Company, causes damage to others, the Company shall bear liability for compensation; if the director acted intentionally or with gross negligence, he or she shall also bear liability for compensation.

If a director violates laws, administrative regulations, departmental rules or the Articles of Association while performing duties for the Company, causing losses to the Company, he or she shall bear liability for compensation.

Chapter 12 Independent Directors

Article 110 The independent directors shall diligently perform their duties in accordance with laws, administrative regulations, the requirements of the securities regulatory authorities, the stock exchanges and the Articles of Association. They shall play a role in decision-making, supervision, checks and balances, and providing professional consultation within the Board of Directors, safeguarding the overall interests of the Company and protecting the legitimate rights and interests of minority shareholders.

The independent directors shall perform their duties independently and be free from the influence of the substantial shareholders, actual controllers and entities or individuals who has interest with the Company and its substantial shareholders or actual controller.

Article 111

The independent directors shall be nominated by the Board of Directors of the Company, and shareholders who, individually or aggregately, hold over 1% of the shares with voting rights of the Company and be elected in the General Meeting.

The term of office of independent directors shall be the same as the other directors. Upon the end of term of office, the independent directors shall be eligible for re-election, but in any event the term of office shall not be more than 6 years.

Article 112

In order to be qualified as an independent director, he or she shall meet the following basic requirements:

- (1) he or she shall have the qualification to be a director of a listed company under the laws, administrative regulations, other relevant provisions, the listing rules of the stock exchanges where the shares of the Company are listed and the Articles of Association;
- (2) he or she shall be independent as required by the relevant laws, administrative regulations, departmental rules and listing rules of the stock exchanges where the shares of the Company are listed and the Articles;
- (3) he or she shall have basic knowledge of the operation of a listed company, be familiar with the relevant laws, administrative regulations, and other regulations and rules (including but not limited to the applicable accounting standards);
- (4) he or she shall have more than 5 years of legal, accounting or financial experience or other experience necessary for performing the duties of an independent director;
- (5) he or she shall possess good personal integrity and have no adverse records such as major breach of trust;
- (6) he or she shall meet other requirements stipulated in laws, administrative regulations, departmental rules, regulatory documents, relevant rules of the stock exchanges where the shares of the Company are listed and the Articles of Association.

Article 113

The independent directors must be independent. Unless otherwise stipulated in the applicable laws, regulations and/or the listing rules of the stock exchange where the shares of the Company are listed, the following persons shall not be appointed as an independent director:

- (1) employees of the Company or its subsidiaries, their immediate family members and major social associates (immediate family members shall mean spouse, parents, children and so on; major social associates shall mean siblings, parents-in-law, sons-in-law and daughters-in-law, spouses of siblings, siblings of their spouses, parents-in-law of sons-in-law and daughters-in-law and so on);
- (2) natural person shareholders who directly or indirectly hold over 1% of the issued shares of the Company or who rank in the top ten shareholders of the Company, as well as their immediate family members;
- (3) employees of those shareholders who directly or indirectly hold over 5% of the issued shares of the Company or who rank in the top five shareholders of the Company, as well as their immediate family members;
- (4) persons who are employed by the controlling shareholders and actual controllers of the Company and its subsidiaries and their immediate family members;
- (5) persons who provide financial, legal, consulting and sponsorship services to the Company and its controlling shareholders, actual controllers or their respective subsidiaries, including but not limited to all persons in the project team of intermediary companies who provide services, reviewers of each level, persons who sign on the reports, partners, directors, senior management and primary responsible persons;

- (6) persons who have major business transactions with the Company, its controlling shareholders, actual controllers or their respective subsidiaries, or the persons who hold a post in entities with such major business transactions, or of the controlling shareholder or actual controller of such entities.

The “major business transactions” referred to under this clause shall mean the issues which are subject to the shareholders’ approval at the General Meeting in accordance with the rules governing the listing of securities on the Shanghai Stock Exchange or the Articles of Association, or other major issues determined by Shanghai Stock Exchange (hereinafter referred to as “SSE”);

- (7) persons satisfying conditions of the preceding 6 clauses during the latest one year;
- (8) other persons who are not independent determined by laws, administrative regulations, securities regulatory authorities and the stock exchanges where the shares of the Company are listed and the Articles of Association.

The subsidiaries of the Company’s controlling shareholders or actual controllers referred to in items (4) to (6) of the preceding paragraph do not include enterprises that are controlled by the same state-owned asset management authority as the Company and do not constitute connected parties with the Company in accordance with relevant regulations.

The independent directors shall conduct a self-examination of their independence on an annual basis and submit the self-examination results to the Board of Directors. The Board of Directors shall evaluate the independence of the incumbent independent directors and issue a specific opinion on an annual basis, which shall be disclosed at the same time as the annual report.

The term “employment” in this article refers to serving as directors, senior management and other staff members.

Article 114

If an independent director has failed to attend a Board meeting personally on two consecutive occasions or does not appoint another independent director to attend on his or her behalf, the Board of Directors shall propose in a General Meeting to remove and replace such director within thirty (30) days from the date of occurrence of such fact. Unless in the above circumstances and in circumstance as provided by the laws, administrative regulations and the Articles of Association where a person is prohibited from acting as a director, no independent director may be removed without cause before his or her term of office expires. In case of early removal, the Company shall disclose it by way of special disclosure. If the removed independent director considers that he or she is removed by the Company improperly, he or she may make a public declaration.

If an independent director of the Company fails to meet the qualifications for appointment as an independent director or the independence requirements as stipulated in the relevant laws and regulations and the Articles of Association after taking office, he or she shall immediately cease to perform his or her duties and resign from his or her position as an independent director. If an independent director fails to resign upon request, the Board of Directors of the Company shall initiate decision-making procedures to remove him or her from his or her position as an independent director within two (2) days after the Board of Directors of the Company has become aware of, or should have become aware of, the occurrence of such fact.

An independent director may resign before his or her term of office expires. In resigning his or her duties, an independent director shall tender a written resignation to the Board of Directors, specifying any matter which is related to his or her resignation or which he or she considers necessary to bring to the attention of the Company's shareholders and creditors. If the resignation or dismissal of an independent director causes the proportion of independent directors in the Board of Directors of the Company to fall below the minimum statutory requirements, or the proportion of independent directors of the special committees of the Board of Directors fails to comply with the requirements, or there is a shortage of accounting professionals among the independent directors, the Company shall complete the by-election within sixty (60) days from the date of the occurrence of the foregoing facts.

Article 115

Independent directors, as members of the Board of Directors, owe fiduciary and diligence duties to the Company and all shareholders, and shall prudently perform the following responsibilities:

- (1) to participate in decision-making of the Board of Directors and provide clear opinions on matters under discussion;
- (2) to supervise on matters that involve potential significant conflicts of interest between the Company and its controlling shareholders, actual controllers, directors or senior management, and protect the legitimate rights and interests of minority shareholders;
- (3) to provide professional and objective advice on the Company's operations and development to enhance the quality of decision-making of the Board of Directors;
- (4) other responsibilities as stipulated by laws, administrative regulations, the requirements of the securities regulatory authorities and the Articles of Association.

Article 116

An independent director shall have the following special functions and powers in addition to those conferred by the Company Law and other relevant laws, administrative regulations and the Articles of Association:

- (1) to express independent opinions on matters that may harm the interests of the Company or the minority shareholders;
- (2) to propose to the Board of Directors to convene an extraordinary General Meeting;
- (3) to propose the calling of a Board meeting;
- (4) to independently engage intermediary organisations to audit, consult or investigate specific matters of the Company;
- (5) to publicly solicit shareholders' rights in accordance with the laws;
- (6) other functions and powers as stipulated by laws, administrative regulations, the securities supervision and management authorities of the places where the shares of the Company are listed and the Articles of Association.

The independent directors shall seek the consent of a majority of all the independent directors when exercising their authorities under items (2) to (4). The Company shall promptly disclose when the independent directors exercise the functions and powers set out in item (4). In the event that the aforesaid functions and powers cannot be exercised properly, the Company shall disclose the specific circumstances and reasons thereof.

Where the independent directors engage external auditing or advisory organisations independently for auditing or consultation in respect of the specific matters of the Company, the relevant fees shall be borne by the Company.

Article 117

The following matters shall be submitted to the Board of Directors for consideration after being approved by a majority of all independent directors of the Company:

- (1) connected transactions that shall be disclosed;
- (2) plans of the Company and related parties to change or waive their undertakings;
- (3) decisions made and measures taken by the board of directors of the company being acquired in relation to the acquisition;
- (4) other matters as prescribed by laws, administrative regulations, the provisions of securities regulatory authorities and the Articles of Association.

Article 118

The Company shall establish a special meeting mechanism to be attended exclusively by independent directors. When the Board of Directors considers matters such as connected transactions, prior approval by the special meeting of independent directors shall be required.

The Company shall regularly or irregularly convene meetings to be attended by all independent directors (hereinafter referred to as the Special Meeting of Independent Directors). The matters set out in items (2) to (4) of the first paragraph of Article 116 and Article 117 of the Articles of Association shall be considered at the Special Meeting of Independent Directors. The Special Meetings of Independent Directors may study and discuss other matters of the Company as needed.

The Special Meeting of Independent Directors shall be convened and chaired by an independent director jointly elected by a majority of the independent directors; in the event that the convenor does not perform or is unable to perform his/her duties, two or more independent directors may convene a meeting and elect a representative to chair the meeting.

Minutes of the Special Meeting of Independent Directors shall be prepared in accordance with the regulations, and the opinions of the independent directors shall be recorded in the minutes. The independent directors shall sign and confirm the minutes of the meetings. The Company shall facilitate and provide support for the convening of the Special Meeting of Independent Directors.

Chapter 13 Secretary to the Board of Directors of the Company

Article 119 The Company shall have one (1) or two (2) secretaries to the Board of Directors. The secretary is senior management of the Company.

Article 120 The secretary to the Board of Directors shall be a natural person who has the requisite professional knowledge and experience. The secretary shall be appointed by the Board of Directors, his primary responsibilities are:

If the Company has two (2) secretaries to the Board of Directors, they shall be respectively responsible for the Company's affairs in the mainland China and in Hong Kong, China, but either one of the secretaries can independently exercise all the powers of a secretary to the Board of Directors. The secretary responsible for affairs in the mainland China shall be mainly responsible for ensuring that the constitution documents and records of the Company are in order, that the necessary reports and documents are prepared and submitted to relevant authorities in the mainland China in accordance with the laws, that the register of shareholders of the Company is properly maintained, that persons entitled to retrieve the records and documents of the Company can acquire such records and documents without delay, preparing General Meetings and meetings of the Board of Directors and handling matters relating to information disclosure.

In accordance with the directions of the Board of Directors, the secretary who is responsible for Hong Kong, China's affairs shall be mainly responsible for reporting and submitting relevant information and documents to the Hong Kong Stock Exchange in accordance with the Listing Rules of the Hong Kong Stock Exchange, preparing various documents in connection with the General Meetings and Board meetings and submitting to the Companies Registry of Hong Kong documents relating to the Company.

Where the Company has only one secretary of the Board of Directors, he shall undertake all the above mentioned responsibilities of the secretary for the mainland China's affairs and the secretary for Hong Kong, China's affairs.

Article 121

The director and other senior management of the Company may be appointed as the secretary to the Board of Directors. Any accountants of the accounting firm appointed by the Company shall not be appointed as the secretary to the Board of Directors.

Where the secretary to the Board of Directors is also a director and an act is required to be done by a director and the secretary separately, such person who is acting both as a director and the secretary shall not perform the act in both capacities.

Article 122

The secretary to the Board of Directors shall comply with the relevant rules of the Articles of Association and perform his/her duties in a diligent manner.

The secretary shall assist to ensure that the Company complies with the relevant laws of the People's Republic of China and rules of the stock exchange on which the shares of the Company are listed.

Chapter 14 Managers of the Company

Article 123

The Company shall have one manager who is hired or dismissed by the Board of Directors.

Article 124

The manager shall be responsible to the Board of Directors and shall have the following powers and duties:

- (1) to be responsible for the production and management of the Company, to organise the implementation of the resolutions of the Board of Directors and to report to the Board of Directors;
- (2) to organise the implementation of the annual business plans and investment proposals of the Company;
- (3) to prepare proposals for the internal management structure of the Company;
- (4) to prepare the basic management systems of the Company;
- (5) to formulate the regulations of the Company;
- (6) to propose to employ or dismiss deputy managers and financial officer-in-charge of financial matters;
- (7) to employ or dismiss management staff other than those who shall be employed or dismissed by the Board of Directors;
- (8) other powers conferred by the Articles of Association and the Board of Directors.

In exercising the above-mentioned powers, for those matters within the scope of material issues involving decision-making of the Party Committee of the Company, the manager shall obtain opinion from the Party Committee of the Company in advance.

Article 125

The manager who is not a director may attend meetings of the Board of Directors and shall be entitled to receive notice of the meeting and relevant documents. The manager who is not a director shall not be entitled to vote at meetings of the Board of Directors.

Article 126

When the manager and deputy managers perform their functions and exercise their powers, they shall not alter the resolutions of the General Meetings or the Board of Directors or exceed his/her authorised power.

Article 127 Where the manager and the deputy managers perform their functions and exercise their powers, they shall discharge their duties honestly and diligently in accordance with the laws, administrative regulations and the Articles of Association.

Chapter 15 Special Committees of the Board of Directors

Article 128 The Board of Directors shall establish the Audit Committee to exercise the powers and functions of the supervisory committee as stipulated in the Company Law.

Article 129 The Audit Committee shall consist of four members, being directors who do not hold senior management positions in the Company, all of whom shall be independent directors, and an accounting professional who is an independent director shall be the chairman/chairlady (convenor).

Article 130 The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audits and overseeing internal controls. The following matters shall be submitted to the Board of Directors for consideration only after obtaining the consent of a majority of all members of the Audit Committee:

- (1) to disclose the financial information in financial accounting reports and periodic reports, internal control evaluation reports;
- (2) to appoint or dismiss the accounting firm engaged for the audit work of the Company;
- (3) to appoint or dismiss the officer responsible for the financial matters of the Company;
- (4) to make changes in accounting policies or accounting estimates, or corrections of significant accounting errors, except those resulting from changes in accounting standards;
- (5) other matters as stipulated by laws, administrative regulations, provisions of securities regulatory authorities and the Articles.

Article 131

The Audit Committee shall convene at least one meeting every quarter.

An extraordinary meeting can be convened upon the proposal of two or more members or when the convenor deems necessary. Meetings of the Audit Committee shall be held only when more than two-thirds of its members are present. Resolutions of the Audit Committee shall be passed by a majority of all its members.

Voting on resolutions of the Audit Committee shall be on a one-person-one-vote basis.

Resolutions of the Audit Committee shall be recorded in written minutes in accordance with relevant regulations, and the members attending the meeting shall sign the minutes. The working rules of the Audit Committee shall be formulated by the Board of Directors.

Article 132

In addition to the Audit Committee, the Board of Directors of the Company shall establish the Nomination Committee, the Remuneration Committee and the Environmental, Social and Governance Development Committee, which shall perform their duties in accordance with the Articles and the authorisation of the Board of Directors. Proposals of such special committees shall be submitted to the Board of Directors for consideration and approval. The working rules of the special committees shall be formulated by the Board of Directors.

Article 133

The Nomination Committee shall be responsible for formulating the selection criteria and procedures for directors and senior management, selecting and reviewing candidates for directors and senior management personnel and their qualifications, and making recommendations to the Board of Directors on the following matters:

- (1) to nominate, appoint or remove directors;
- (2) to appoint or dismiss senior management;
- (3) other matters as stipulated by the laws, administrative regulations, requirements of the securities regulatory authorities and the Articles.

The Company shall appoint at least one director of a different gender for the Nomination Committee.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for not adopting them in the Board resolutions, and shall make disclosures accordingly.

Article 134

The Remuneration Committee shall be responsible for formulating the assessment standards and conducting assessments for directors and senior management, formulating and reviewing the remuneration policies and plans of directors and senior management, including the remuneration determination mechanism, decision-making procedures, arrangements for payment, withholding and recovery of payment, and making recommendations to the Board of Directors on the following matters:

- (1) remuneration for directors and senior management;
- (2) to formulate or change the share incentive schemes and employee shareholding plans, and achievement of the conditions for grant and exercise of rights by incentive recipients;
- (3) to arrange the shareholding plans for directors and senior management in the subsidiaries proposed to be spun off;
- (4) other matters as stipulated by the laws, administrative regulations, requirements of the securities regulatory authorities and the Articles.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration Committee, it shall record the opinions of the Remuneration Committee and the specific reasons for not adopting them in the Board resolutions, and shall make disclosures accordingly.

Chapter 16 Qualifications and Obligations of Directors and Senior Management of the Company

Article 135

A person shall be disqualified from being a director or senior management of the Company in any one of the following circumstances:

- (1) the individual has no civil capacity or restricted civil capacity;
- (2) a person of less than five (5) years has elapsed since the conviction of corruption, bribery, unauthorised appropriation of properties, embezzlement of properties or disrupting social and economic order; or a period of less than five (5) years has elapsed since being deprived of political rights for committing offences; or a period of less than two (2) years has elapsed since the completion of the probation test period in the case of a probation sentence;
- (3) a period of less than three (3) years has elapsed since the completion of the liquidation of any company or enterprise and where the person acted as a director or factory manager, manager of such company or enterprise and was personally liable for such insolvency;
- (4) a period of not less than three (3) years has elapsed since the date of revocation of the business license of a company or enterprise or where the company or enterprise are ordered to be closed due to illegal business operations where the person was the legal representative of such company or enterprise and for which he was personally liable;
- (5) the person is personally liable for a relatively substantial loan which was due and outstanding and having been listed by the People's Court as a discredited person subject to enforcement;
- (6) the person has been prohibited by the securities regulatory authority of the State Council from participating in securities market activities and such prohibition has not yet expired;
- (7) the person has been publicly determined by a stock exchange to be unfit to serve as a director or senior management of a listed company and such prohibition period has not yet expired;

- (8) other circumstances stipulated in the relevant laws, regulations and normative documents.

The election, appointment of directors or engagement of senior management by the Company in contravention of the above provisions shall be invalid. The Company shall remove him or her from his or her position and terminate his or her duties if any of the above circumstances happened during the term of office of such director, or senior management.

Where any of the circumstances set forth in items (1) to (6) of paragraph 1 of this article occurs during the term of office of a director or senior management, or where an independent director fails to meet the independence requirements as provided for by the laws and regulations and the rules of the securities regulatory authorities of the places where the Company is listed, the relevant director or senior management shall immediately cease performing his or her duties and shall be removed from his or her position by the Company in accordance with the corresponding provisions.

Article 136

The director or senior management of the Company shall comply with the laws, administrative regulations and the Articles of Association, and shall assume the duties of fidelity and diligence to the Company.

Article 137

Directors or senior management of the Company shall comply with laws, administrative regulations and the Articles of Association, and owe a duty of fidelity to the Company, shall take measures to avoid conflicts of interest between their personal interests and those of the Company and shall not exploit their positions to seek improper benefits. Directors or senior management of the Company shall owe the following duties of fidelity to the Company:

- (1) shall not misappropriate Company's property or embezzle Company's funds;
- (2) shall not deposit Company's funds into accounts opened in their own name or in the name of any other individual;
- (3) shall not exploit their position to offer or accept bribes or other illegal income;

- (4) without reporting to the Board of Directors or General Meeting and obtaining approval through a resolution of the Board of Directors or General Meeting in accordance with the Articles of Association, shall not directly or indirectly enter into any contract or transaction with the Company;
- (5) shall not exploit their positions to seize business opportunities belonging to the Company for themselves or others, except where they have reported to the Board of Directors or General Meeting and obtained approval through a General Meeting resolution, or where the Company is unable to utilise such opportunities due to laws, administrative regulations, or the Articles;
- (6) without reporting to the Board of Directors or General Meeting and obtaining approval through a General Meeting resolution, shall not engage in businesses similar to that of the Company, whether on their own account or for others;
- (7) shall not appropriate commissions from transactions between others and the Company for themselves;
- (8) shall not disclose the Company's secrets without authorisation;
- (9) shall not use their connected relationships to harm the interests of the Company;
- (10) other duties of fidelity as stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

Any income obtained by a director or senior management in contravention of this article shall belong to the Company. If such contravention causes losses to the Company, the director or senior management shall be liable for compensation.

The provisions of item (4) of the first paragraph of this article shall apply to any contract or transaction entered into between the Company and close relatives of directors or senior management, enterprises directly or indirectly controlled by directors, senior management or their close relatives, or other connected parties having connected relationships with directors or senior management.

Article 138

Directors of the Company shall comply with the laws, administrative regulations, and the Articles of Association, and owe a duty of diligence to the Company. They shall perform their duties with the reasonable care typically expected of a manager and act in the best interests of the Company. Directors shall owe the following duties of diligence to the Company:

- (1) to exercise the powers granted by the Company prudently, conscientiously and diligently to ensure that the Company's commercial activities comply with the requirements of national laws, administrative regulations and various national economic policies, and that business activities do not exceed the scope of business specified in the business license;
- (2) to treat all shareholders equally;
- (3) to stay informed about the Company's business operations and management status in a timely manner;
- (4) to sign written confirmation opinions of the Company's periodic reports to ensure that the information disclosed by the Company is true, accurate and complete;
- (5) to truthfully provide relevant information and materials to the Audit Committee and shall not obstruct the Audit Committee from exercising its authority;
- (6) other duties of diligence as stipulated by the laws, administrative regulations, departmental rules and the Articles.

The above provisions shall also apply to senior management.

Article 139

Where a director and senior management member of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company, (other than his contract of service with the Company), he or she shall declare the nature and extent of his or her interests to the Board of Directors at the earliest opportunity, regardless of whether the matter under normal circumstances would be subject to the approval of the Board.

Unless the interested director or senior management member discloses his or her interests in accordance with the preceding paragraph of this Article and the subject matter is approved by the Board of Directors at a meeting in which the interested director or senior management member is not counted in the quorum and refrains from voting, the Company shall have the right to rescind such contract, transaction or arrangement except as against a bona fide party thereto acting without knowledge of the breach of duty by the interested director or senior management member.

A director or senior management member of the Company is deemed to be interested in a contract, transaction or arrangement in which an associate of him or her is interested.

Article 140

Where a director or senior management of the Company gives a notice in writing to the Board of Directors before the Company's first-time consideration of entering into the relevant contract, transaction or arrangement, declaring that, by reason of facts specified in the notice, he or she is interested in contracts, transactions or arrangements which may subsequently be made by the Company, to the extent specified in that notice, the relevant director or senior management member shall be deemed to have given sufficient declaration of interests pursuant to the preceding article of this chapter.

Article 141

Where a director and senior management of the Company is in breach of his or her obligations to the Company, the Company shall have a right to take the following measures in addition to the various rights and remedies provided by the laws and administrative regulations:

- (1) to request such director and senior management to compensate for the losses sustained by the Company as a result of his or her breach of duties;
- (2) unless otherwise specified in the laws and regulations, to rescind any contract or transaction entered into by the Company with such director or senior management and any contract or transaction entered into by the Company with a third party (where such third party knew or should have known that such director or senior management representing the Company is in breach of the obligations to the Company);

- (3) to request such director or senior management to return the proceeds received as a consequence of the breach of the obligations;
- (4) to recover from such director and senior management any monies which should otherwise have been received by the Company, including (but not limited to) commissions;
- (5) to request such director and senior management to return such interests accrued or may be accrued from the monies which should otherwise have been paid to the Company.

Chapter 17 Financial and Accounting System and Profit Distribution

Article 142 The Company shall formulate the financial and accounting system of the Company in accordance with the laws, administrative regulations and the provisions in the PRC accounting standards prepared by the authority governing financial matters under the State Council.

Article 143 The financial year of the Company shall coincide with the Gregorian calendar year, which commences from 1st January and ends on 31st December of the Gregorian calendar.

The Company shall adopt Renminbi as its accounts keeping unit. All accounts shall be written in Chinese.

Article 144 The financial statements of the Company shall, in addition to being prepared in accordance with the PRC accounting standards and regulations, be prepared in accordance with international accounting standards or such accounting standards of the places where the shares of the Company are listed. Where material differences appear in the financial statements prepared in accordance with the two sets of accounting standards mentioned above, it shall be described in the financial statements. Where the Company makes a distribution of profit after taxation in respect of the relevant financial year, the amount of distribution shall be the lesser amount of the profit after taxation as shown in both financial statements as aforesaid.

- Article 145** The interim results and financial information to be published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations, and at the same time to be prepared in accordance with international accounting standards or the accounting standards of the places on which the shares of the Company are listed.
- Article 146** The Company shall publish its financial reports four times in each financial year, that is the annual financial report shall be published within four (4) months after the expiration of each fiscal year, the interim (biannual) financial report shall be published within two (2) months after the expiration of the first 6 months of each fiscal year, the quarterly report shall be published within one (1) month after the expiration of the first three (3) months and first nine (9) months of each fiscal year. The above financial statements shall be prepared in accordance with the requirements under relevant laws, administrative regulations, departmental rules and the listing rules of the stock exchanges on which the shares of the Company are listed.
- Article 147** The Company shall not have other books of account other than the statutory books of account.
- The Company shall implement an internal auditing system, which shall clearly define the leadership structure, responsibilities and scope of authority, staffing, funding protections, utilisation of audit results and accountability mechanisms for internal audit work.
- Article 148** The Company's internal audit department shall conduct supervision and inspection of matters such as the Company's business activities and financial information.
- Article 149** In the course of supervising and inspecting the Company's business activities and financial information, the internal audit department shall be subject to the supervision and guidance of the Audit Committee. If the internal audit department discovers any material issues or leads, it shall report directly and immediately to the Audit Committee.
- Article 150** When the Audit Committee communicates with accounting firms, national audit authorities or other external audit units, the internal audit department shall actively cooperate and provide necessary support and assistance.

Article 151

At the time of distribution of annual after-tax profits, the Company shall allocate 10 per cent of such profits to the Company's statutory reserves. The Company may stop allocation of after-tax profits to the Company's statutory reserves when the accumulated amount is above 50 per cent of the Company's registered capital.

Where the statutory reserves is insufficient to cover the Company's losses of the previous year, the Company shall apply its annual after-tax profits for the recovery of such losses before allocating such profits to the Company's statutory reserves.

After allocation of the Company's statutory reserves from the annual after-tax profits, the Company may allocate to the discretionary reserves and public welfare fund in accordance with the resolution of shareholders of the Company in General Meeting.

After the recovery of the Company's losses and the allocation to the statutory reserves and the public welfare fund, the Company shall distribute the remaining profits to the shareholders in accordance with the proportion of the shareholding of each shareholder. The shares of the Company held by the Company shall not be entitled to distribution of profits.

Where the General Meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the improperly distributed profits to the Company. If such distribution causes losses to the Company, the shareholders and the responsible directors and senior management shall bear liability for compensation.

Article 152

The Company shall not distribute profit or dividend to the shareholders before allocation is made to recovery of the Company's losses and allocation to the statutory accumulation fund. Where the General Meeting or the Board of Directors distribute profit or dividend to the shareholders before allocation are made to recovery of the Company's loss and allocation to the statutory accumulation fund is in contravention of this provision, the shareholders shall return such profits distributed to them to the Company.

Article 153

The capital reserve fund shall include the following sums:

- (1) the amount of share premium arising from the issue of shares in excess of their par value;
- (2) other income to be credited to capital reserve fund in accordance with the provisions of the authority governing the financial matters under the State Council.

Article 154

The Company's reserves may be used as: recovery of the Company's losses, expansion of the Company's business or transferred to increase the Company's registered capital. To cover losses with reserves, the Company shall first use discretionary reserves and statutory reserves; if these are insufficient to cover losses, capital reserves may be used in accordance with relevant regulations.

When a resolution has been passed by shareholders of the Company in General Meeting to convert the statutory reserves to increase the registered capital of the Company, the Company may distribute new shares in accordance with the proportion of the original shareholdings or increase the par value of each share provided that, upon such conversion of the statutory reserves to increase the registered capital of the Company, the remaining balance of the statutory reserves must not be less than 25 per cent of the registered capital of the Company before the conversion.

Article 155

The Company may distribute dividends by the following forms:

- (1) cash (which shall prevail generally);
- (2) shares.

The Company shall distribute dividend annually and can also distribute interim or special dividend provided provisions of the Articles are complied with. The profit distribution policy of the Company shall be maintained with certain continuity and stability and in accordance with the relevant governing regulations as amended from time to time.

Conditional upon the cumulative distributable profits being positive, having sufficient profits and cash to support the normal production and operation of the Company, the earning per share for that year is more than Renminbi 0.01 and if the cash dividend per share distributed at not less than 10% of the realised profit available for distribution is more than Renminbi 0.01 for that year, the profit distribution by way of cash shall be not less than 10% of the realised distributable profits of that year, and the recent 3 years accumulated distributable profits distributed by way of cash shall be not less than 30% of the realised average distributable profits of those 3 recent years.

If the Company generated profits in the year but the Board did not make any cash profit distribution proposal, the reasons thereof and the application of funds retained by the Company not used for distribution shall be explained in details in its periodic reports.

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

Article 156

Upon the passing of the resolution regarding the distribution of profits at the General Meeting, or after the Board of Directors has formulated a specific plan based on the interim dividend conditions and caps for the following year approved at the annual General Meeting, the Board of Directors shall complete the distribution of dividend (or shares) within two months from the date of convening of the General Meeting. Where the Company makes payment of cash dividends and other amounts to the holders of domestic shares, the payment shall be made in Renminbi. Where the Company makes payment of cash dividends and other amounts to the holders of overseas listed foreign shares, the payment shall be calculated and declared in Renminbi and paid in Hong Kong Dollars. The foreign currencies required by the Company for payment of cash dividends and other sums to holders of overseas listed foreign shares shall be handled in accordance with the relevant provisions on foreign exchange administration of the State.

Article 157

Unless otherwise provided by relevant laws or administrative regulations, when the cash dividends and other payments are paid in foreign currency, the exchange rate shall be the average mean price of the relevant currency announced by the People's Bank of China one calendar week before the announcement of payment of dividends and other payments.

Article 158

The Company's profit distribution proposal shall be formulated by the Board in accordance with the provisions of the Articles of Association and the operating conditions of the Company and such proposal shall be considered and passed by the Board before submitting to the General Meeting for approval by the shareholders of the Company.

When formulating specific cash dividend plans, the Board shall diligently study and evaluate matters such as the timing, conditions, minimum proportion, adjustment conditions and decision-making procedure requirements for cash dividends. If independent directors consider that a specific cash dividend plan may harm the interests of the Company or minority shareholders, they have the right to express independent opinions. If the Board does not adopt or only partially adopts the opinions of independent directors, the independent directors' opinions and the specific reasons for not adopting them shall be included in the Board resolutions.

Before the cash dividend proposal is considered in the General Meeting, the Company shall actively communicate with shareholders, particularly minority shareholders, through various channels, and listen to their opinions and demands.

When considering the annual profit distribution plan at the annual General Meetings of the Company, matters such as the conditions, proportion caps and amount caps of interim cash distribution for the coming year can also be considered and approved. The upper cap of interim dividend for the coming year as considered at the annual General Meeting shall not exceed the net profit attributable to shareholders of the Company for the respective period. The Board shall formulate specific interim profit distribution plan based on the resolutions of the General Meeting upon fulfilment of profit distribution conditions.

Where adjustment to the profit distribution policy is required by the Company due to the substantial changes in external or internal operating environment, after detailed analysis and discussion, the adjusted profit distribution policy shall be submitted to the General Meeting for consideration by the shareholders after consideration by the Board and shall only be implemented after obtaining approval by the shareholders holding more than two-thirds of the voting rights present at such General Meeting.

Article 159 Where the Company makes any distribution of dividends to the shareholders, the Company shall make withholdings and payments on behalf of the shareholders of such tax taxable on the dividends payable to shareholders in accordance with the provisions of the PRC taxation law and the amount of dividends payable.

Article 160 The Company shall appoint a receiving agent for holders of overseas listed foreign shares. The receiving agent shall receive on behalf of such shareholders the dividends distributed to and other amounts payable by the Company in respect of the overseas listed foreign shares.

The receiving agent appointed by the Company shall satisfy requirements provided under the laws or the relevant provisions of the stock exchanges where the shares of the Company are listed.

Chapter 18 Appointment of Accounting Firm

Article 161 The Company shall engage independent accounting firms which comply with the relevant national provisions to conduct services such as the audit of the financial statements, net assets verification and other relevant consultation.

Article 162 The term of engagement of the accounting firms shall begin from the conclusion of the current annual General Meeting of the Company until the conclusion of the next annual General Meeting. Upon completion of the term of appointment, reappointment may be made.

The Company's appointment and dismissal of an accounting firm shall be decided in the General Meeting, and the Board of Directors may not appoint an accounting firm before a decision is made in the General Meeting.

Article 163 The Company undertakes to provide true and complete accounting proofs, accounting books, financial accounting reports and other accounting information to the accounting firm engaged, and shall not refuse to provide, conceal or make false statements.

Article 164 The remuneration or the determination of the remuneration of the accounting firm shall be fixed by the shareholders in the General Meeting.

Article 165 In the event of any dismissal or non-reappointment of an accounting firm by the Company, a notice shall be served to inform the accounting firm 15 days in advance and the accounting firm has the right to express its opinions at the General Meeting when the dismissal of such accounting firm is being voted on at the General Meeting. If an accounting firm tenders its resignation, it shall make statement to the General Meeting whether there are any improper circumstances.

Chapter 19 Insurance

Article 166 The Company shall effect insurance with the People's Insurance Company of China or other insurance companies registered in the PRC and allowed by the laws of PRC to provide insurance coverage to PRC companies.

The types of insurance, insured amount, other terms and periods of insurance shall be discussed and decided by the Board of Directors with reference to the practices of companies in the same industry in other countries and the customary practices and legal requirements in the PRC.

Chapter 20 Labour and Human Resources Management

Article 167 The Company shall formulate its labor management, personnel management, wages and welfare and social insurance systems in accordance with the laws and administrative regulations of the PRC.

Article 168 The Company shall have autonomy in determining the levels of wages and welfare benefits for various levels of its management personnel and staff and workers in accordance with its own economic benefits within the ambit permitted by the relevant laws and administrative regulations.

Article 169 The Company shall implement the laws, administrative regulations and relevant requirements in respect of labor protection in accordance with the relevant laws, administrative regulations and rules of the PRC central government and PRC local governments.

Chapter 21 Trade Union Organisation

Article 170 The staff and workers of the Company shall have the right to establish a trade union and engage in trade union activities in accordance with the Trade Union Law of the PRC. The activities of the trade union shall be conducted outside normal working hours unless otherwise prescribed by the Board of Directors.

The Company shall allocate 2 per cent. (2%) of the total amount of wages paid to the staff and workers to the trade union fund every month. Such funds shall be used by the trade union of the Company in accordance with the relevant requirements formulated by the All China Federation of Trade Unions.

Chapter 22 Merger and Demerger of the Company

Article 171 The merger of the Company may take the form of either merger by absorbing another company or merger by establishing a new company.

In case of a merger of the Company, various parties involved shall sign the merger agreement and prepare the balance sheet and the property list. The Company shall, within ten (10) days upon passing the resolution on the merger, notify the creditors and publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within thirty (30) days. The creditors have the right to, within forty-five (45) days since the issuance of the public announcement if they fail to receive such notice, request the Company to repay its debts or to provide corresponding guarantees.

After the merger, all claims and liabilities of the parties to the merger shall be taken over by the company which exists after the merger or by the newly established company.

Article 172 If the payment by the Company for a merger does not exceed 10% of the net assets of the Company, it shall not be subject to a resolution of the General Meeting, unless otherwise specified in the Articles.

If the Company merges in accordance with the preceding paragraph without a resolution of the General Meeting, it shall be approved by a resolution of the Board.

Article 173 In case of a demerger of the Company, its assets shall be divided correspondingly.

In case of a demerger by the Company, various parties involved shall sign the demerger agreement and prepare the balance sheet and the property list. The Company shall, within ten (10) days upon passing the resolution for the demerger, notify the creditors and publish an announcement in newspapers or through the National Enterprise Credit Information Publicity System within thirty (30) days.

Liabilities of the Company before the demerger shall be jointly borne by the companies after demerger, except as provided for in the written agreements entered into between the Company and the creditors in relation to the repayment of debt before the demerger.

Article 174 Changes in registration items arising from merger or demerger shall be registered with companies registration department in accordance with the laws; in the case of dissolution, the dissolution shall be registered according to the laws; where new companies are established, the establishment shall be registered according to the laws.

Chapter 23 Dissolution and Liquidation of the Company

Article 175 The Company shall be dissolved and liquidated upon the occurrence of any of the following events:

- (1) where the General Meeting resolves to dissolve the Company;
- (2) where dissolution of the Company is necessary for the merger or demerger;
- (3) where the term of business stipulated in the Articles of Association expires or other circumstances of dissolution stipulated in the Articles of Association occurs;
- (4) where, according to the laws, the business licenses of the Company are revoked, or the Company is ordered to close down or dissolved;

- (5) where the Company encounters significant difficulties in management and operation, the continuance of which will significantly harm the interests of the shareholders, and which cannot be resolved by other means, and the shareholders of the Company holding more than 10% of the total shares with voting rights of the Company file a petition to the People's Court for the dissolution of the Company, and the People's Court ordered the Company to be dissolved in accordance with the laws.

If the Company encounters any of the dissolution events set forth in the preceding paragraph, it shall publicly announce the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten (10) days.

Article 176

Where the Company falls under the circumstances specified in items (1) or (3) of Article 175 of the Articles and has not yet distributed its assets to the shareholders, it may continue to exist by amending the Articles or by a resolution of the General Meeting.

Such amendment to the Articles or resolution of the General Meeting pursuant to the preceding paragraph shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Article 177

In the event that the Company is dissolved pursuant to the items (1), (3), (4) and (5) of the first paragraph under Article 175, it shall undergo liquidation.

The directors shall act as the liquidation obligors and shall within fifteen (15) days thereof establish a liquidation committee. The liquidation committee shall be composed of directors, unless otherwise provided in the Articles or otherwise resolved by the General Meeting. If a liquidation obligor fails to perform its liquidation duties in a timely manner, and thereby causes losses to the Company or its creditors, it shall bear the liability for compensation.

Article 178

The liquidation committee shall notify the creditors within ten (10) days following its establishment and shall make public announcements in newspapers or through the National Enterprise Credit Information Publicity System within sixty (60) days. Creditors shall declare their claims to the liquidation committee within thirty (30) days from the date of receipt of the notice or, if they did not receive the notice, within forty-five (45) days from the date of the announcement. The liquidation committee shall carry out registration for creditors. During the claim declaration period, the liquidation committee shall not make any payment to creditors.

Article 179

The liquidation committee shall during the liquidation period perform the following functions and powers:

- (1) to dispose of the Company's assets, to prepare balance sheets and an inventory of assets;
- (2) to give notices or make public announcements to the creditors;
- (3) to deal with the unfinished business of the Company in relation to the liquidation;
- (4) to settle all tax in arrears and taxes arising from the liquidation proceedings;
- (5) to repay all the claims and debts;
- (6) to deal with the remaining assets of the Company after the repayment of debts;
- (7) to represent the Company in civil proceedings.

Article 180

After the completion of the disposal of the assets of the Company and the preparation of the balance sheets and the property list, the liquidation committee shall prepare a liquidation proposal and submit the same to the General Meeting or the People's Court for their confirmation.

After the priority payment of the liquidation costs, the assets of the Company shall be used to make repayments in the following order of priority:

- (1) accrued wages and social insurance premiums of employees of the Company and statutory compensation payments;
- (2) accrued tax in arrears; and
- (3) bank loans, bonds and other debts and liabilities of the Company.

Any assets remaining after repayment of debts in accordance with the provisions above shall be distributed to the shareholders of the Company in accordance with the class and proportion of shares held by them in the following order of priority:

- (1) where there are preferred shares, the assets shall be distributed to holders of preferred shares according to the par value of such shares; if the capital of the preferred shares cannot be repaid in full, distribution shall be made in proportion to the number of preferred shares held by them;
- (2) distribution to holders of ordinary shares in proportion to the number of ordinary shares held by them.

During the liquidation, the Company continues to exist, but shall not carry on any business activities not related to liquidation.

Article 181

If the Company is to be dissolved by liquidation, the liquidation committee discovers that, after the disposal of the assets of the Company and preparation of the balance sheets and property list of the Company, the assets of the Company are insufficient to repay its debts in full, it shall apply to the People's Court for bankruptcy liquidation in accordance with the laws.

Upon acceptance of the bankruptcy application by the People's Court, the liquidation committee shall transfer liquidation affairs to the bankruptcy administrator designated by the People's Court.

Article 182

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 the People's Court for confirmation, and file the same to the company registration authority to apply for deregistration of the Company.

Article 183 The members of the liquidation committee shall perform their liquidation duties and shall owe a duty of fidelity and a duty of diligence. If any member of the liquidation committee fails to perform such duties, and causes losses to the Company, he/she shall be liable for compensation. If a creditor sustains a loss due to a willful act or gross negligence on the part of a member of the liquidation committee, such liquidation committee member shall be liable for compensation.

Article 184 Where the Company is declared bankrupt in accordance with the laws, bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

Chapter 24 Procedures for Amendments to the Articles of Association of the Company

Article 185 The Company may amend the Articles of Association pursuant to the laws, administrative regulations and the provisions of the Articles of Association.

Article 186 The Company shall amend the Articles of Association if any of the following circumstances occur:

- (1) provisions of the Articles conflict with the amended provisions of the Company Law or related laws and administrative regulations after such amendments;
- (2) a change occurs in the Company's situation and such change is inconsistent with the matters stated in the Articles; or
- (3) the General Meeting resolves to amend the Articles.

Article 187 The Article of Association shall be amended in accordance with the following procedures:

- (1) The Board of Directors, through passing a resolution in accordance with the requirements of the Articles of Association, may draft the proposals for amending the Articles of Association;
- (2) the shareholders shall be notified of the proposals for amendments and a General Meeting shall be convened to vote on the amendments;
- (3) the amendments put to the vote at a General Meeting shall be passed by way of a special resolution.

Article 188 Where amendments to the Articles of Association are subject to approval by the competent authorities, such amendments shall be submitted to the competent authorities for approval.

Article 189 Should the amendments to the Articles involve company registration or filing matters, a registration or filing of the changes shall be made in accordance with the laws.

Chapter 25 Notices

Article 190 The notification, communication or other written materials of the Company may be issued in the following manners:

- (1) by hand;
- (2) by mail;
- (3) by fax or electronic mail;
- (4) by posting on the website of the Company and/or the specified websites of the stock exchanges of the places where the shares of the Company are listed to the extent as permitted under applicable laws, administrative regulations and the listing rules of the securities regulatory authorities where the shares of the Company are listed;
- (5) by public announcements in newspapers and/or other specified mass media;
- (6) by other means as accepted by the securities regulatory authorities of the places where the shares of the Company are listed.

In terms of the ways by which the Company may provide or send corporate communications to H share shareholders in accordance with the listing rules of the Hong Kong Stock Exchange, subject to compliance with the laws, administrative regulations, departmental rules, securities regulatory rules of the places where the shares of the Company are listed, and the Articles, the Company may provide or send corporate communications through the designated website of the Company and/or the website of the Hong Kong Stock Exchange or through electronic means to H share shareholders. Corporate communications mentioned in the preceding paragraph refer to any documents issued or to be issued by the Company for reference or action by any H share shareholders or any other individual required by the listing rules of the Hong Kong Stock Exchange, including but not limited to:

- (1) annual reports (including board report, annual accounts of the Company together with auditor's report, audit report, and financial summary report (if applicable));
- (2) interim reports and their summary reports (if applicable);
- (3) notices of meetings;
- (4) listing documents;
- (5) circulars;
- (6) proxy forms (proxy form has the meaning ascribed to it by the listing rules of the stock exchanges where the shares of the Company are listed). When notices are published in the form of announcement pursuant to the Articles, such announcement shall be published in accordance with the manner prescribed by the relevant listing rules of the Hong Kong Stock Exchange.

Article 191 Where a notice is sent by post, service of the notice shall be effected by properly addressing, prepaying, putting the notice into an envelope and posting an envelope containing the notice in to mailbox shall be deemed to have been posted and shall be deemed to have been served at the expiration of 48 hours after the envelope containing the same is posted. For a Company notice delivered by hand, the person on whom it is served shall sign (or affix his or her seal to) the acknowledgement of receipt, and the date of receipt shall be the date of service. For a Company notice given by way of a public announcement, the first day of publication shall be the date of service.

Chapter 26 Supplementary Provisions

Article 192 Any matter not provided in the Articles shall be resolved by the resolutions proposed by the Board of Directors and submitted to the General Meeting.

Article 193 The Articles of Association are written in Chinese and English, the Chinese version shall prevail.

Article 194 The Articles of Association shall be construed by the Board of Directors and the amendments thereto shall be made by the General Meeting.

Article 195 In the Articles of Association, the term “senior management” shall refer to the manager, vice manager, secretary to the Board, officer in charge of financial matters and other senior management determined by the Board.

In the Articles of Association, the term “accounting firm” shall have the same meaning as “auditor” and the terms “manager” and “vice manager” shall refer to the “general manager” and “vice general manager” of the Company respectively.

In the Articles of Association, the terms of “above”, “within” and “below” shall include the figures mentioned whilst the terms of “exceeding”, “short of”, “beyond”, “less than” and “more than” shall not include the figures mentioned.