

*Announcement on the Dissolution of the
Supervisory Committee, Amendments to the Articles of Association,
and Amendments and Formulation of Certain Governance Policies*

Stock Code: **603799**

Stock Name: Huayou Cobalt

Announcement No.: **2025-084**

Convertible Bond Code: **113641**

Convertible Bond Name: Huayou Convertible Bond

**Announcement on the Dissolution of the Supervisory
Committee, Amendments to the Articles of Association, and
Amendments and Formulation of Certain Governance Policies
Of
Zhejiang Huayou Cobalt Co., Ltd.**

The Board of Directors and all directors of the Company warrant that there is no false representation, misleading statement or material omissions herein, and will assume legal liabilities with respect to the truthfulness, accuracy and completeness hereof.

convene the 31st meeting of the Sixth Board of Directors and the 22nd meeting of the Sixth Supervisory Committee on August 16, 2025, to consider and approve the Resolution on the Dissolution of the Supervisory Committee and Amendments to the Articles of Association, the Resolution on the Amendments and Formulation of Certain Governance Policies of the Company, and the Resolution on the Annulment of the Rules of Procedure for the Supervisory Committee. It is hereby announced that:

I. Dissolution of the Supervisory Committee

To comply with the standards and requirements applicable to listed companies and further enhance corporate governance, the Company has decided to dissolve the Supervisory Committee, and delegate its functions and powers to the Audit Committee under the Board of Directors based on the actual needs for corporate governance and in accordance with the (as amended in 2023), the *Guidelines on Articles of Association of Listed Companies* (as amended in 2025), the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange* (as

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amended in April 2025) and other applicable laws and regulations. Upon dissolution, the Rules for Procedure of the Supervisory Committee of Zhejiang Huayou Cobalt Co., Ltd. and other related policies will be annulled accordingly. The incumbent supervisors of the Company shall be removed from office as of the date of deliberation and approval by the

and the amendments to the Articles of Association. Prior to deliberation and approval by

Committee, the Sixth Supervisory Committee of the Company shall continue to perform its supervisory duties and safeguard the interests of the Company and all shareholders in strict accordance with applicable laws and regulations, as well as the Articles of Association.

II. Adjustment to the Number of Board Directors

To further improve corporate governance and effectively safeguard the interests of shareholders and employees, and in accordance with the *Company Law, the Guidelines for Articles of Association of Listed Companies* and other relevant laws, regulations and normative documents, taking into consideration of the Company's actual situation, the Company intends to add one employee director, thereby increasing the total number of board directors from 7 to 8.

III. Amendments to the Articles of Association

Key clauses of the Articles of Association subject to amendment include: (i) deletion

(ii) delegation of the Su

Board of Directors; (iii

iv) standardization of expressions in certain clauses.

The main amendments are detailed in the Comparison Table of the Articles of Association Before and After Amendments, attached hereto as an appendix¹.

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been uniformly amended to

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pa bers of the Audit Committee

Such amendments will not be itemized separately if no other amendments to those clauses are made. Furthermore, any

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All amendments to the Articles of Association shall be submitted to the r deliberation and approved by no less than two thirds of the total voting rights held by shareholders present at the meeting. At the same time, the shareholder authorized representatives to handle the filing and other related matters concerning the above-mentioned amendments to the Articles of Associations. All such changes shall be subject to the approval of the registration authority. The full text of the amended Articles of Associations has been disclosed on the website of the Shanghai Stock Exchange (www.sse.com.cn) as of the date of this announcement.

IV. Amendments, Formulation and Annulment of Certain Governance Policies of the Company

The Company proposes to simultaneously amend the relevant corporate governance policies as follows, in accordance with the *Transitional Arrangements for the Implementation of New Policies and Rules Supporting the Company Law* and other applicable regulatory rules:

S/N	Name of Governance Policy	Type	Submitted to Shareholders Meeting for Deliberation or Not
1		Amendment	Yes
2	Rules of Procedure for the Board of Directors	Amendment	Yes
3	Rules of Conduct for Independent Directors	Amendment	Yes
4	Connected Transaction Decision-Making Policy	Amendment	Yes
5	External Guarantee Policy	Amendment	Yes
6	Fundraising Management Policy	Amendment	Yes
7	Management Policy on the Remuneration of Directors and Senior Officers	Formulation	Yes
8	Rules for Procedure of the Supervisory Committee	Annulment	Yes
9	Board Authorization Management Policy	Amendment	No
10	Rules of Conduct for the General Manager	Amendment	No
11	Rules of Conduct for the Board Secretary	Amendment	No
12	Internal Control Policy	Amendment	No

adjustments to clause numbering resulting from deletions and additions (including updates to cross-referenced clause numbers), as well as variations in wording or punctuation that do not alter substantive content, will not be itemized separately.

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Attachment Table of the Major amendments to *the Articles of Association*

Before Amendment	After Amendment
<p>Article 2 The Company is a joint stock limited company established in accordance with the Company Law, Provisional Regulations on Certain Issues Concerning the Establishment of Companies limited by Shares with Foreign Investment issued by the former Ministry of Foreign Trade and Economic Cooperation of the Republic of China and other relevant regulations of the Republic of China and other relevant regulations of the Republic of China in after referred to as the People's Republic of China.</p> <p>The Company is a company limited by shares with foreign investment established upon the approval by the Ministry of Commerce of the People's Republic of China by way of overall restructuring in 2008, which was registered with Zhejiang Provincial Administration for Market Regulation with Uniform Social Credit Code of 913300007368873961.</p>	<p>Article 2 The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations of the People's Republic of China (hereinafter referred to as the "Company").</p> <p>The Company is a company limited by shares with foreign investment established upon the approval of the Ministry of Commerce of the People's Republic of China by way of overall restructuring in 2008, which was registered with Zhejiang Provincial Administration for Market Regulation with Uniform Social Credit Code of 913300007368873961.</p>
<p>Article 5 The domicile of the Company: No.18, Wuzhen East Road, Phase II, Tongxiang Economic Development Zone, Zhejiang Province.</p> <p style="padding-left: 40px;">Postal Code: 314500</p> <p style="padding-left: 40px;">Telephone: 0573-88589981</p> <p style="padding-left: 40px;">Fax number: 0573-88585810</p>	<p>Article 5 The domicile of the Company: No.18, Wuzhen East Road, Phase II, Tongxiang Economic Development Zone, Zhejiang Province.</p> <p style="padding-left: 40px;">Postal Code: 314500</p>
<p>Article 8 The chairperson of the Company is the legal representative of the Company. If the chairperson resigns, it shall be deemed that he/she resigns as the legal representative as well.</p>	<p>Article 8 The chairperson of the Company shall be a director responsible for its operations and acting as its legal representative, and shall be elected by the Board of Directors.</p> <p>If the chairperson resigns, it shall be deemed that he/she resigns as the legal representative as well.</p> <p>In the event that the legal representative resigns, the Company shall determine the appointment of a replacement within thirty (30) days of such resignation.</p> <p>The Company shall bear all legal consequences arising from the civil acts performed by the legal representative in the name of the Company.</p> <p>Any restrictions on the powers and functions of the legal representative imposed by the Articles of Association shall remain in effect.</p>

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	<p>Association or the shareholders meeting shall not be asserted against bona fide counterparties.</p> <p>The Company shall bear civil liability for any loss or damage caused to any person by the legal representative in the performance of their duties, and may, in accordance with applicable laws or the Articles of Association, seek compensation from the legal representative at fault.</p>
<p>Article 9 The entire assets of the Company are divided into equal shares, shareholders shall be liable to the Company with the number of shares they have subscribed for, and the Company shall be liable for its debts with all its assets.</p>	<p>Article 9 Shareholders shall be liable to the Company with the number of shares they have subscribed for, and the Company shall be liable for its debts with all its assets.</p>
<p>Article 10 Upon entering into force, the Articles of Association shall become a legally binding document that regulates the organization and conduct of the Company and the relations of rights and obligations between the Company and shareholders and between shareholders. The Articles of Association shall be legally binding upon the Company and its shareholders, directors, supervisors and senior management, all of whom shall be entitled to, according to the Articles of Association, make claims in respect of rights concerning the matters of the Company. Pursuant to the Articles of Association, shareholders may institute legal proceedings against other shareholders, against directors, supervisors, the general manager (which is hereinafter) and other senior management of the Company, and against the Company, while the Company may institute legal proceedings against its shareholders, directors, supervisors, the president and other senior management.</p> <p>For the purposes of the preceding paragraph, the term</p> <p>court or the application to an arbitration institution for arbitration.</p>	<p>Article 10 Upon entering into force, the Articles of Association shall become a legally binding document that regulates the organization and conduct of the Company and the relations of rights and obligations between the Company and shareholders and between shareholders. The Articles of Association shall be legally binding upon the Company and its shareholders, directors and senior management, all of whom shall be entitled to, according to the Articles of Association, make claims in respect of rights concerning the matters of the Company. Pursuant to the Articles of Association, shareholders may institute legal proceedings against other shareholders, against directors the general manager (which is ca in the Company, similarly hereinafter) and other senior management of the Company, and against the Company, while the Company may institute legal proceedings against its shareholders, directors the president and other senior management.</p> <p>For the purposes of the preceding paragraph, the term</p> <p>a court or the application to an arbitration institution for arbitration.</p>
<p>Article 16 The shares of the Company shall be issued under the principles of openness, fairness and impartiality, and each of the shares of the same class shall carry the same rights.</p> <p>Each of the same class of shares in the same issue shall carry the same issue terms and price, and entities or individuals shall pay the same price for each of the shares subscribed for by them.</p>	<p>Article 16 The shares of the Company shall be issued under the principles of openness, fairness and impartiality, and each of the shares of the same class shall carry the same rights.</p> <p>Each of the same class of shares in the same issue shall carry the same issue terms and price, and entities or individuals shall pay the same price for each of the shares subscribed for by them.</p>

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<p>All the shares issued by the Company shall have a par value denominated in Renminbi, which shall be RMB1 for each share.</p>	<p>All par value shares issued by the Company shall be denominated in Renminbi.</p>
<p>Article 20 The total shares of the Company are 169834.7023, and the shareholding structure of the Company is 169834.7023 ordinary shares, of which A shareholders hold 159834.7023 shares, representing 94.11%; and foreign investors hold 100,000,000 underlying A shares represented by GDRs based on the conversion ratio determined by the Company, representing 5.89%.</p>	<p>Article 20 The Company has issued a total of 1,698,347,023 shares, all of which are ordinary shares, including: (i) 1,598,347,023 shares held by A-share shareholders, representing 94.11% of the total; and (ii) 100,000,000 underlying A shares represented by GDRs held by foreign investors based on the conversion ratio determined by the Company, representing 5.89%.</p>
<p>Article 21 Based on its operational and development needs, the Company may increase capital in the following means in accordance with the provisions of laws and regulations upon resol general meeting:</p> <ul style="list-style-type: none"> (I)public offering of shares; (II)non-public offering of shares; (III)placement of shares to existing shareholders; (IV)distribution of bonus shares to existing shareholders; (V)conversion of capital reserve into share capital; (VI)other means permitted by laws and administrative regulations and approved by the CSRC. <p>If the Company is to increase its capital by an offering of new shares, it shall do so by the procedure provided for in relevant laws and administrative regulations of the state after such increase has been approved in accordance with the Articles of Association.</p> <p>When the Company issues convertible corporate bonds, the issuance of convertible corporate bonds, the conversion procedures and arrangement, the changes in the</p> <p>other matters shall be conducted in accordance with laws, administrative regulations, department rules, and other documents and as stipulated in the prospectus of convertible corporate bonds.</p>	<p>Article 21 Based on its operational and development needs, the Company may increase capital in the following means in accordance with the provisions of laws and regulations upon resolution made at meeting:</p> <ul style="list-style-type: none"> (I) issuance of shares to unspecified investors; (II) issuance of shares to specified investors; (III) placement of shares to existing shareholders; (IV) distribution of bonus shares to existing shareholders; (V) conversion of capital reserve into share capital; (VI) other means provided by laws and administrative regulations and specified by the CSRC. <p>If the Company is to increase its capital by an offering of new shares, it shall do so by the procedure provided for in relevant laws and administrative regulations of the state after such increase has been approved in accordance with the Articles of Association.</p> <p>When the Company issues convertible corporate bonds, the issuance of convertible corporate bonds, the conversion procedures and arrangement, the changes in the</p> <p>C other matters shall be conducted in accordance with laws, administrative regulations, department rules, and other documents and as stipulated in the prospectus of convertible corporate bonds.</p>

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<p>Article 23 The Company may repurchase its own shares in accordance with laws, administrative regulations, department rules, and the Articles of Association under any of the following circumstances:</p> <p>(I) to decrease the registered capital of the Company;</p> <p>(II) to merge with another company holding shares of the Company;</p> <p>(III) to award shares to the employees of the Company;</p> <p>(IV) the Company is requested by any shareholder to purchase his/her shares because he/she raises objection to merger or division made at</p> <p>(V) to satisfy the conversion of those corporate bonds convertible into shares issued by the Company with shares;</p> <p>company deems necessary;</p> <p>(VII) other circumstances permitted by laws or administrative regulations.</p> <p>The Company shall not repurchase its own shares except under the above circumstances.</p>	<p>Article 23 The Company may repurchase its own shares in accordance with laws, administrative regulations, department rules, and the Articles of Association under any of the following circumstances:</p> <p>(I) to decrease the registered capital of the Company;</p> <p>(II) to merge with another company holding shares of the Company;</p> <p>(III) to grant shares under the employee stock ownership plan or as equity incentives;</p> <p>(IV) the Company is requested by any shareholder to purchase his/her shares because he/she raises objection to at</p> <p>the sharehol ng;</p> <p>(V) to satisfy the conversion of those corporate bonds convertible into shares issued by the Company with shares;</p> <p>(VI) to safeguard the Comp</p> <p>(VII) other circumstances permitted by laws or administrative regulations.</p> <p>The Company shall not repurchase its own shares except under the above circumstances.</p>
<p>Article 24 The Company may repurchase its shares through open centralized trading on a stock exchange, offer, over the counter agreements or other methods approved by laws, regulations and the CSRC.</p> <p>Where the Company repurchases its shares under the circumstance set forth in subparagraph (III), (V) or (VI) under the first paragraph of Article 23 of the Articles of Association, it shall be conducted through open centralized trading.</p>	<p>Article 24 The Company may repurchase its shares through open centralized trading on a stock exchange or other methods approved by laws, regulations and the CSRC.</p> <p>Where the Company repurchases its shares under the circumstance set forth in subparagraph (III), (V) or (VI) under the first paragraph of Article 23 of the Articles of Association, it shall be conducted through open centralized trading.</p>
<p>Article 25 If the Company is to repurchase its shares by over-the-counter agreements, prior approval shall be o</p> <p>accordance with the Articles of Association. Upon the prior</p> <p>the same manner, the Company may terminate or vary a contract concluded in the manner set forth above or waive any of its rights under such contract.</p> <p>For the purposes of the preceding paragraph, the term</p> <p>limited to agreements whereby repurchase obligations are undertaken and repurchase rights are acquired.</p> <p>The Company may not transfer a contract for the repurchase of its own shares or any of its rights thereunder.</p>	<p style="text-align: center;">Deleted</p>
<p>Article 29 The shares of the Company held by the promoters shall not be transferred within one year from the</p>	<p>Article 28 The shares of the Company held by the promoters shall not be transferred within one year from the stablishment. The shares issued</p>

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<p>before the Company public offering of shares shall not be transferred within one year from the date on which the the stock exchange.</p> <p>The directors, supervisors and senior management of the Company shall report the shares of the Company they held to the Company and the changes thereof, and the shares allowed to be transferred each year during their term of office shall not exceed 25% of the total number of shares of the Company they held; the shares of the Company they held shall not be transferred within one year from the date ded. The above-mentioned personnel shall not transfer the shares of the Company they held within half a year after leaving the Company.</p> <p>If there is any change in the shares of the Company held by the directors, supervisors and senior management due to equity distribution by the Company, the above provisions shall apply.</p>	<p>be transferred within one year from the date on which the nge.</p> <p>The directors and senior management of the Company shall report the shares of the Company they held to the Company and the changes thereof, and the shares allowed to be transferred each year during their term of office, as determined at the time of appointment, shall not exceed 25% of the total number of shares of the same class of the Company they held; the shares of the Company they held shall not be transferred within one listed and traded. The above-mentioned personnel shall not transfer the shares of the Company they held within half a year after leaving the Company.</p> <p>If there is any change in the shares of the Company held by the directors and senior management due to equity distribution by the Company, the above provisions shall apply.</p>
<p>Article 31 Neither the Company nor its subsidiaries shall at any time provide any financial assistance in any form to purchasers or prospective purchasers of shares of the Company. Purchasers of shares of the Company as referred to above shall include persons that directly or indirectly assume obligations as a result of purchasing shares of the Company.</p> <p>Neither the Company nor its subsidiaries shall at any time provide any financial assistance in any form to the above obligors in order to reduce or release them from their obligations.</p> <p>The provisions of this Article shall not apply to the circumstances described in Article 33 of the Articles of Association.</p>	<p>Article 30 Neither the Company nor its subsidiaries shall, at any time, provide any form of financial assistance for the acquisition of shares issued by the Company or its parent company.</p> <p>The provisions of this Article shall not apply to the circumstances described in Article 32 of the Articles of Association.</p>
<p>Article 33 The acts listed below shall not be regarded as acts prohibited under Article 31 of the Articles of Association:</p> <p>(I) where the Company provides the relevant financial assistance genuinely for the benefit of the Company and the main purpose of the financial assistance is not to purchase the shares of the Company, or the financial assistance is an incidental part of some overall plan of the Company;</p> <p>(II) lawful distribution of dividends in the form of the</p>	<p>Article 32 The acts listed below shall not be regarded as acts prohibited under Article 30 of the Articles of Association:</p> <p>(I) where the Company provides the relevant financial assistance genuinely for the benefit of the Company and the main purpose of the financial assistance is not to purchase the shares of the Company, or the financial assistance is an incidental part of some overall plan of the Company;</p> <p>(II) lawful distribution of dividends in the form of the</p>

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<p>(III) distribution of dividends in the form of shares;</p> <p>(IV) reduction of registered capital, repurchase of shares, adjustment of the equity structure, etc. in accordance with the Articles of Association;</p> <p>(V) provision of a loan by the Company within its scope of business and in the ordinary course of its business (provided that the provision does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance is paid out</p> <p>(VI) the provision of money by the Company for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the distributable profit; and provision of money for an employee shareholding scheme shall not be made under the circumstances expressly prohibited by law or regulations).</p> <p>(VII) for the benefit of the Company and by a resolution of the shareholders' meeting or a resolution made by the Board of Directors under the authorization of the shareholders' meeting, the Company may provide financial assistance to others for their purchase of shares of the Company, but the cumulative amount of the financial assistance shall not exceed 10% of the total issued share capital. The said resolution made by the Board of Directors shall be subject to the approval of more than two-thirds of all directors.</p>	<p>(III) distribution of dividends in the form of shares;</p> <p>(IV) reduction of registered capital, repurchase of shares, adjustment of the equity structure, etc. in accordance with the Articles of Association;</p> <p>(V) provision of a loan by the Company within its scope of business and in the ordinary course of its business (provided that the provision does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance is paid out butable profit);</p> <p>(VI) the provision of money by the Company for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance is paid out distributable profit; and provision of money for an employee shareholding scheme shall not be made under the circumstances expressly prohibited by law or regulations).</p> <p>(VII) for the benefit of the Company and by a resolution made by the Board of Directors, the Company may provide financial assistance to others for their purchase of shares of the Company, but the cumulative amount of the financial assistance shall not exceed 10% of the total issued share capital. The said resolution made by the Board of Directors shall be subject to the approval of at least two-thirds of all directors.</p>
<p>Article 47 The shareholders of the Company shall have the following rights:</p> <p>(I) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>(II) shareholder(s) severally or jointly holding more ay submit proposals to the Board in relation to their queries against the Independent Director or his dismissal;</p> <p>(III) to lawfully require, convene, preside over or or by proxy and exercise the corresponding voting right;</p> <p>(IV) to supervise and manage, present suggestions on or make inquiries about the operations of the Company;</p> <p>(V) to transfer, gift or pledge their shares in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(VI) to inspect the stubs of corporate bonds, resolutions of the Board meeting, resolutions of the Supervisory Committee meetings and financial and</p>	<p>Article 46 The shareholders of the Company shall have the following rights:</p> <p>(I) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>(II) shareholder(s) severally or jointly holding at least ares may submit proposals to the Board in relation to their queries against the Independent Director or his dismissal;</p> <p>(III) to lawfully request the convening, calling, presiding over or attending of , either in person or by proxy, and exercise the corresponding voting right;</p> <p>(IV) to supervise and manage, present suggestions on or make inquiries about the operations of the Company;</p> <p>(V) to transfer, gift or pledge their shares in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(VI) to inspect Articles of Association, the register of shareholders,</p>

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accounting reports; and to obtain relevant information in accordance with the law and the Articles of Association, which shall include:

~~1. obtaining a copy of the Articles of Association of the Company after payment of a charge to cover costs;~~

~~2. being entitled, after payment of reasonable charges, to examine and copy:~~

~~(1) all parts of the register of shareholders;~~

~~(2) personal data of directors, supervisors, the president and other senior management of the Company, including:~~

~~(a) present and former names and aliases;~~

~~(b) principal address (residence);~~

~~(c) nationality;~~

~~(d) full time and all other part time occupations and positions;~~

~~(e) documents of identity and their numbers;~~

~~(3) share capital of the Company;~~

~~(4) reports showing the nominal value of, number of, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last fiscal year, and the aggregate amount paid by the Company for such shares;~~

~~(5) the minutes of shareholder meetings;~~

(VII) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;

(VIII) for shareholders dissenting to a resolution for the merger or division of the Company at the acquire their shares;

~~(IX) Shareholder(s) who individually or collectively hold(s) more than 3% of the Company's shares for more than 180 consecutive days may request access to the Company's accounting books and vouchers. If the shareholder(s) request(s) access to the Company's accounting books and vouchers, they shall submit a written request to the Company stating the purpose thereof. If the Company reasonably believes that the shareholder(s)' request for accessing the accounting books and vouchers is just for improper purposes or may harm the legitimate interests of the Company, it may refuse to provide access and respond in writing to the shareholder(s) and explain its reason of refusal within 15 days from the date of the shareholder's written request. Shareholders who consult or copy relevant materials shall comply with the Securities~~

minutes of resolutions, and financial and accounting reports; and to examine the Company's accounting books and vouchers where entitled;

(VII) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;

(VIII) for shareholders dissenting to a resolution for the merger or division of the Company at the time, to demand the Company to acquire their shares;

(IX) other rights stipulated by the laws, administrative regulations, departmental rules or the Articles of Association.

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<p>Law and other related laws and administrative regulations; (X) other rights stipulated by the laws, administrative regulations, departmental rules or the Articles of Association.</p>	
<p>Article 48 If any shareholder proposes to inspect the relevant information mentioned in the preceding article or asks for information, the shareholder shall provide the Company with written documents bearing evidence of the class and number of shares held by such shareholder, and the Company shall provide the information as required by such shareholder upon verification of t identity.</p>	<p>Article 47 Any shareholder who requests inspection or duplication of the relevant materials shall comply with the Company Law, the Securities Law and other applicable laws and administrative regulations.</p>
<p>Article 49 If general meeting or the Board of the Company violates the laws or administrative regulations, the shareholders shall court to invalidate the resolution. If the convening procedure or voting method of the the laws, administrative regulations or the Articles of Association or the content of a resolution runs counter to the Articles of Association, the shareholders shall have the within 60 days after passing the resolution, except for minor flaws in the convening procedures or voting methods of shareholder meetings and Board meetings that do not have a material impact on the resolutions adopted thereat.</p>	<p>Article 48 meeting or the Board of the Company violates the laws or administrative regulations, the shareholders shall have the invalidate the resolution. If the convening procedure or voting method of the he laws, administrative regulations or the Articles of Association or the content of a resolution runs counter to the Articles of Association, the shareholders shall have the within 60 days after passing the resolution, except for minor flaws in the convening procedures or voting methods of shareholder meetings and Board meetings that do not have a material impact on the resolutions adopted thereat. If the Board of Directors, any shareholder or other concerned party challenges the validity of any resolution passed at lawsuit shall be promptly filed with the The challenged resolution shall continue to be implemented by the concerned party until the people court issues a ruling or judgment revoking it. The Company, its directors and senior management shall diligently perform their duties to ensure the normal operations. issues a ruling or judgment related to the Company, the Company shall: (i) fulfill its information disclosure obligations in accordance with applicable laws and administrative regulations, as well as the rules of the CSRC and Chinese stock exchanges; (ii) fully explain the impact of such ruling or judgment; and (iii) provide proactive support upon effectiveness of such ruling or judgment. If amendments to any prior disclosures are required, the Company shall promptly make the necessary amendments and fulfill the related disclosure obligations.</p>

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Article 50 If any director or senior management violates the laws, administrative regulations or the Articles of Association in fulfilling their duties, thereby causing any loss to the Company, the shareholder(s) severally or jointly holding 1% or more shares of the Company for no less than 180 days continuously shall have the right to submit a written request to ~~the Supervisory Committee~~ to institute legal proceedings to the ~~Supervisory Committee~~ **Supervisory Committee** violates the laws, administrative regulations or the Articles of Association in fulfilling its duties, thereby causing any loss to the Company, the shareholders shall have the right to request the Board in writing to institute

If ~~the Supervisory Committee~~ or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the shareholders or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may cause irreparable damage to the interests of the Company, the shareholders as specified in the preceding paragraph shall be entitled to directly

own names in the interests of the Company.

If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the shareholders as specified in the first paragraph of this article may institute legal proceedings to court pursuant to the preceding two paragraphs.

Article 49 If any director or senior management, **other than members of the Audit Committee**, violates the laws, administrative regulations or the Articles of Association in fulfilling their duties, thereby causing any loss to the Company, the shareholder(s) severally or jointly holding 1% or more shares of the Company for no less than 180 days continuously shall have the right to submit a written request to the **Audit Committee** to institute legal proceedings to the

Audit Committee violates the laws, administrative regulations or the Articles of Association in fulfilling its duties, thereby causing any loss to the Company, the shareholders shall have the right to request the Board in writing to institute legal proceedings to the court.

If the **Audit Committee** or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the shareholders or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may cause irreparable damage to the interests of the Company, the shareholders as specified in the preceding paragraph shall be entitled to directly institute legal proceedings to the in their own names in the interests of the Company.

If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the shareholders as specified in the first paragraph of this Article 49 may institute legal proceedings to the court pursuant to the preceding two paragraphs.

If any director, supervisor or senior manager of a wholly-owned subsidiary of the Company violates applicable laws, administrative regulations or the Articles of Association, resulting in losses to the Company, or causing another person to infringe upon the legitimate rights and interests of the subsidiary and thereby causing losses, the shareholder(s) holding at least 1% of the shares continuously for at least 180 days, whether individually or collectively, may file a written request to the board of supervisors and the board of directors of the subsidiary pursuant to the first three paragraphs of Article 189 of the Company Law to initiate a lawsuit in their own name.

If the wholly-owned subsidiary of the Company does not have a board of supervisors, supervisor or audit committee, Paragraphs 1 and 2 of this Article 49 shall apply.

Article 52 The shareholders of the Company shall have the following obligations:

Article 51 The shareholders of the Company shall have the following obligations:

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(I) to observe the laws, administrative regulations and the Articles of Association;

(II) to pay capital contribution as per the shares subscribed for and the method of subscription;

(III) not to withdraw shares unless in the circumstances stipulated by laws and administrative regulations;

(IV) not to harm the interests of the Company or other shareholders; not to abuse the Company's independent legal

the interests of the creditors of the Company;

If any shareholder of the Company abuses his/her Company or other shareholders, the said shareholder shall be liable for compensation according to law.

If any shareholder of the Company abuses the Company's assets, or evades repayment of debts, thereby seriously damaging the interests of the creditors of the Company, the said shareholder shall bear joint and several liabilities for the

(V) to fulfil other obligations stipulated by the laws, administrative regulations and the Articles of Association.

Shareholders are not liable for making any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.

(I) to observe the laws, administrative regulations and the Articles of Association;

(II) to **pay capital contribution** as per the shares subscribed for and the method of subscription;

(III) **not to withdraw their share capital** unless in the circumstances stipulated by laws and administrative regulations;

o harm the

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<p>Supervisory Committee;</p> <p>(IV) distribution plan and loss recovery plan;</p> <p>(V) to resolve on increase or decrease of the registered capital of the Company;</p> <p>(VI) to resolve on issuance of corporate bonds;</p> <p>(VII) to resolve on the merger, division, dissolution, liquidation or transformation of corporate form of the Company;</p> <p>(VIII) to amend the Articles of Association;</p> <p>(IX) to resolve on the appointment, dismissal or non-</p> <p>(X) to consider and approve the guarantees stipulated in Article 57;</p> <p>(XI) major assets or provision of guarantees for others within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(XII) to consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(XIII) to consider equity incentive plans and employee stock ownership plan;</p> <p>(XIV) to consider other matters which, in accordance with the laws, administrative regulations, departmental rules or the Articles of Association, shall be approved at the shareholders' general meeting.</p> <p>The functions and powers of the meeting mentioned above shall not be delegated to the Board of Directors or any other body or individual, but the shareholders' general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.</p>	<p>distribution plan and loss recovery plan;</p> <p>(IV) to resolve on increase or decrease of the registered capital of the Company;</p> <p>(V) to resolve on issuance of corporate bonds;</p> <p>(VI) to resolve on the merger, division, dissolution, liquidation or transformation of corporate form of the Company;</p> <p>(VII) to amend the Articles of Association;</p> <p>(VIII) to resolve on the appointment, dismissal or non-renewal of the accounting firm engaged to conduct the audit of the Company;</p> <p>(IX) to consider and approve the guarantees stipulated in Article 56;</p> <p>(X) to consider the Company's major assets or provision of guarantees for others within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(XI) to consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(XII) to consider equity incentive plans and employee stock ownership plan;</p> <p>(XIII) to consider other matters which, in accordance with the laws, administrative regulations, departmental rules or the Articles of Association, shall be approved at the shareholders' general meeting.</p> <p>The functions and powers of the meeting mentioned above shall not be delegated to the Board of Directors or any other body or individual, except where the shareholders' meeting authorizes the Board of Directors to make resolutions on the issuance of corporate bonds, or where applicable laws, administrative regulations or the rules of the CSRC or Chinese stock exchanges provide otherwise.</p>
<p>Article 57 The following external guarantees of the Company shall be considered and approved at the</p> <p>(I) any guarantees provided by the Company and its holding subsidiaries after the total amount of external guarantees has exceeded 50% of the latest audited net assets of the Company;</p> <p>(II) any guarantees provided by the Company after the total amount of external guarantees has exceeded 30% of the latest audited total assets of the Company;</p> <p>(III) guarantees for guarantee objects whose liability-asset ratio exceeds 70%;</p>	<p>Article 56 provision of guarantees approval not only by a majority of the directors, but also by at least two thirds of the directors present at the Board meeting, and shall be disclosed in a timely manner.</p> <p>The provision of the following external guarantees by the Company shall be considered and approved at the after deliberation and approval by the Board.</p> <p>(I) any guarantees provided by the Company and its holding subsidiaries after the total amount of external guarantees has exceeded 50% of the latest audited net</p>

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<p>(IV) guarantees provided by the Company in twelve consecutive months with the amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(V) a single guarantee with the amount exceeding 10% of the latest audited net assets;</p> <p>(VI) guarantee provided to shareholders, de facto controllers and their connected parties;</p> <p>(VII) other guarantees as required in the rules of the exchange and the Articles of Association.</p> <p>External guarantees to be considered at the general meeting shall be considered and approved by the Board before submission to the general meeting for consideration. When a guarantee mentioned in Item (IV) in the preceding general meeting, it shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>	<p>assets of the Company;</p> <p>(II) any guarantees provided by the Company after the total amount of external guarantees has exceeded 30% of the latest audited total assets of the Company;</p> <p>(III) guarantees for guarantee objects whose liability-asset ratio exceeds 70%;</p> <p>(IV) guarantees provided by the Company in twelve consecutive months with the amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(V) a single guarantee with the amount exceeding 10% of the latest audited net assets;</p> <p>(VI) guarantee provided to shareholders, de facto controllers and their connected parties;</p> <p>(VII) other guarantees as required in the rules of the exchange and the Articles of Association.</p> <p>When a guarantee mentioned in Item (IV) in the preceding paragraph is considered and approved at the at least two-thirds of the voting rights held by the shareholders present at the meeting.</p> <p>The Company shall hold responsible persons liable for any violation of the authority and procedures for meeting and the Board as provided in the Articles of Association, and shall refer the matter to judicial authorities in accordance with applicable laws if the violation is serious or involves suspected criminal conduct.</p>
<p>Article 59 In any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the circumstance:</p> <p>(I) when the number of directors falls short of the number specified in the Company Law or is less than two thirds (namely 5 directors) of the number specified in the Articles of Association;</p> <p>(II) when the unrecovered losses of the Company amount to one third of the total paid-up share capital;</p> <p>(III) when shareholders severally or jointly holding more than 10% shares of the Company request in writing to hold such meeting;</p> <p>(IV) when the Board deems it necessary;</p> <p>(V) when the Supervisory Committee proposes to hold such a meeting;</p> <p>(VI) other circumstances as stipulated in the laws, administrative regulations, departmental rules or the Articles of Association.</p>	<p>Article 58 In any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the circumstance:</p> <p>(I) when the number of directors falls short of the number specified in the Company Law or is less than two thirds (namely 6 directors) of the number specified in the Articles of Association;</p> <p>(II) when the unrecovered losses of the Company amount to one third of the total paid-up share capital;</p> <p>(III) when shareholders severally or jointly holding at least 10% shares (including preferred shares with restored voting rights, etc., hereinafter the same shall apply) of the Company request in writing to hold such meeting;</p> <p>(IV) when the Board deems it necessary;</p> <p>(V) when the Audit Committee proposes to hold such a meeting;</p> <p>(VI) other circumstances as stipulated in the laws,</p>

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	<p>administrative regulations, departmental rules or the Articles of Association.</p>
<p style="text-align: center;">Section 3 Convening of Shareholders' General Meeting</p> <p>Article 62 Independent directors shall have the right to propose to the Board to hold an extraordinary general meeting. The Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether it agrees to hold such an extraordinary general meeting within 10 days after receipt of the proposal of the independent director to hold such a meeting.</p> <p>If the Board agrees to hold the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. If the Board does not agree to hold the extraordinary general meeting, it shall give the reasons and publish an announcement in respect thereof.</p>	<p style="text-align: center;">Section 3 Convening of Shareholders' Meeting</p> <p>Article 61 Upon approval by a majority of all independent directors, an independent director shall have the right to propose to the Board to hold an extraordinary general meeting. The Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether it agrees to hold such an extraordinary general meeting within 10 days after receipt of the proposal of the independent director to hold such a meeting.</p> <p>If the Board agrees to hold the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. If the Board does not agree to hold the extraordinary general meeting, it shall give the reasons and publish an announcement in respect thereof.</p>
<p>Article 64 Shareholder(s) severally or jointly holding more than 10% shares of the Company shall have the right to request the Board to hold an extraordinary general meeting, and shall put forward such request to the Board in writing, stating the subjects to be considered at the meeting. The Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether it agrees to hold such an extraordinary general meeting within 10 days after receipt of the written request.</p> <p>Where the Board agrees to hold the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original request set forth in the notice shall be subject to approval by the relevant shareholders.</p> <p>If the Board does not agree to hold the extraordinary general meeting or fails to give a written reply within 10 days after receipt of the request, shareholder(s) severally or jointly holding more than 10% shares of the Company shall be entitled to propose to the Supervisory Committee to hold an extraordinary general meeting, and shall put forward such request to the Supervisory Committee in writing.</p> <p>If the Supervisory Committee agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained.</p>	<p>Article 63 Shareholder(s) severally or jointly holding at least 10% shares (including preferred shares with restored voting rights, etc.) of the Company shall have the right to request the Board to hold an extraordinary meeting, and shall put forward such request to the Board in writing, stating the subjects to be considered at the meeting. The Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether it agrees to hold such an extraordinary meeting within 10 days after receipt of the written request.</p> <p>Where the Board agrees to hold the extraordinary meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original request set forth in the notice shall be subject to approval by the relevant shareholders.</p> <p>If the Board does not agree to hold the extraordinary meeting or fails to give a written reply within 10 days after receipt of the request, shareholder(s) severally or jointly holding at least 10% shares (including preferred shares with restored voting rights, etc.) of the Company shall be entitled to propose to the Audit Committee to hold an extraordinary general meeting, and shall put forward such request to the Audit Committee in writing.</p> <p>If the Audit Committee agrees to convene the extraordinary meeting, it shall serve a notice of such meeting within five days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s)</p>

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If the Supervisory Committee fails to serve the notice of shareholders' general meeting within the prescribed period, it shall be deemed as failing to convene and preside over the shareholders' general meeting. The shareholder(s) severally or jointly holding more than 10% shares of the Company for more than 90 consecutive days may convene and preside over the meeting by themselves.

shall be obtained.

If the Audit Committee fails to serve the notice of shareholders' meeting within the prescribed period, it shall be deemed as failing to convene and preside over the shareholders' meeting. The shareholder(s) severally or jointly holding at least 10% shares (including preferred shares with restored voting rights, etc.) of the Company for at least 90 consecutive days may convene and preside over the meeting by themselves.

Article 65 Where the Supervisory Committee or

Article 64 ~~ETQ~~ 307.61 361.97 259.01 196.85 reW*nB

meeting by itself/themselves, it/they shall notify the Board in writing and file with the stock exchange.

Prior to the announcement of the resolution of the reholding of shareholders who convene the meeting shall not be less than 10%.

The Supervisory Committee or the convening shareholders shall, upon issuing a general meeting and announcing the resolution thereof, submit the relevant documentation to the stock exchange.

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	<p>meeting or not complying with Article 67 of the Articles of Association shall not be voted or resolved at the</p>
<p>Article 77 Shareholders shall appoint their proxies by written instruments, which shall be signed by the principals or their agents appointed in writing. If the principal is a legal person, the instrument shall be under the seal of the legal person or signed by its director(s) or duly authorized agent(s). The power of attorney issued by a shareholder to appoint a proxy to attend a shareholde shall specify:</p> <ul style="list-style-type: none"> (I) the name of the proxy; (II) whether or not the proxy has any voting right; (III) directive to vote for or against or abstain from voting on each and every matter under consideration included in the agenda of the share meeting; (IV) the date of issue and validity period of the power of attorney; (V) signature (or seal) of the principal. <p>If the principal is a corporate shareholder, the corporate seal shall be affixed.</p> <p>Any power of attorney issued by the Board of the Company to the shareholders for the appointment of proxies shall give the shareholders free choice to instruct their proxies to cast an affirmative or negative vote and enable the shareholders to give separate instructions on each matter to be voted on in connection with each topic of the meeting.</p>	<p>Article 76 Shareholders shall appoint their proxies by written instruments, which shall be signed by the principals or their agents appointed in writing. If the principal is a legal person, the instrument shall be under the seal of the legal person or signed by its director(s) or duly authorized agent(s). The power of attorney issued by a shareholder meeting shall specify:</p> <ul style="list-style-type: none"> (I) the name of the appointer, and the class and number of shares of the Company held (II) the name of the proxy; (III) specific directives from the shareholders, including the directive to vote for or against or abstain from voting on each and every matter under consideration included in t (IV) the date of issue and validity period of the power of attorney; (V) signature (or seal) of the principal. <p>If the principal is a corporate shareholder, the corporate seal shall be affixed.</p> <p>Any power of attorney issued by the Board of the Company to the shareholders for the appointment of proxies shall give the shareholders free choice to instruct their proxies to cast an affirmative or negative vote and enable the shareholders to give separate instructions on each matter to be voted on in connection with each topic of the meeting.</p>

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<p>Article 81 by the register shall state the names (or names of the corporations), identification card number and the address of the attendees, the number of voting shares held or represented, names of the principals (or names of the corporations) and so on.</p>	<p>Article 80 Atten (or names of the corporations), identification card number of the attendees, the number of voting shares held or represented, names of the principals (or names of the corporations) and so on.</p>
<p>Article 83 All directors, supervisors and secretary to the Board shall attend the Company, and the president and other senior management shall be present at the meetings.</p>	<p>Article 82 If requested meeting, the directors and senior management shall sit in on the meeting and respond to shareholders inquiries.</p>
<p>Article 100 List of nominations for the candidates for directors or supervisors shall be submitted by way of proposa</p> <p>The approach and procedures for nomination of candidates for directors and supervisors are as follows:</p> <p>(I) The nomination of candidates for directors shall adopt the following methods:</p> <ol style="list-style-type: none"> 1. Nomination by the Board of the Company; 2. The number of candidates nominated by shareholders who individually or jointly hold more than 3% of the total voting shares of the Company shall not exceed the number of directors to be elected or changed. <p>(II) The Company may appoint independent directors according to the resolution of the shareholders meeting, and the nomination of independent director candidates shall adopt the following methods:</p> <ol style="list-style-type: none"> 1. Nomination by the Board of the Company; 2. Nomination by the Supervisory Committee of the Company; 3. The number of candidates nominated by shareholders who individually or jointly hold more than 1% of the issued shares of the Company shall not exceed the number of independent directors to be elected or changed. <p>The nominator shall not nominate individuals who have interested relationship with it or other closely-related individuals who may affect its independent performance of its duties as candidates for independent directors.</p>	<p>Article 99 The list of nominees for non-employee representative director positions (including independent directors) shall be submitted by way of proposal at meetings for voting.</p> <p>The approach and procedures for nominating non-employee representative directors are as follows:</p> <p>(I) The nomination of candidates for non-independent directors shall adopt the following methods:</p> <ol style="list-style-type: none"> 1. Nomination by the Board of the Company; 2. The number of candidates nominated by shareholders who individually or jointly hold at least 3% of the total voting shares of the Company shall not exceed the number of directors to be elected or changed. <p>(II) The Company may appoint independent directors acco and the nomination of independent director candidates shall adopt the following methods:</p> <ol style="list-style-type: none"> 1. Nomination by the Board of the Company; 2. The number of candidates nominated by shareholders who individually or jointly hold at least 1% of the issued shares of the Company shall not exceed the number of independent directors to be elected or changed. 3. A duly established investor protection organization may publicly request that shareholders authorize it to exercise the right to nominate independent directors.

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The cumulative voting system shall be adopted for the election of independent directors.

~~(III) The nomination of supervisor candidates shall adopt the following methods:~~

~~1. Nomination by the Supervisory Committee of the Company;~~

~~2. The number of candidates nominated by shareholders who individually or jointly hold more than 3% of the total voting shares of the Company shall not exceed the number of supervisors to be elected or changed.~~

~~(IV) Shareholders who nominate candidates for directors, independent directors and supervisors shall submit the intention of nominating candidates for directors, independent directors and supervisors and their resumes to the secretary to the Board of the Company in writing 10 days before the convening of the meeting. The candidates for directors and independent directors shall conduct a written undertaking (in any form~~

~~meeting to agree to accept the nomination, and undertake that the information disclosed is true and complete and ensure to earnestly perform the duties of directors upon election. The Board shall be responsible for preparing proposals and submitting them to the shareholding meeting for the nomination of directors and independent directors. The Supervisory Committee shall be responsible for preparing proposals and submitting them to the supervisors.~~

~~(V) Employee representative supervisors are elected by the employee representatives assembly, the general employee meeting or other forms of democratic elections of the Company.~~

~~When voting on the election of directors and supervisors, the shareholding meeting may implement accumulative voting system if there are over one proposed director or supervisor.~~

~~Accumulative voting system referred to in the preceding paragraph means a system whereby each share, at voting to elect directors or supervisors at a shareholders general meeting, carries the number of voting rights equivalent to the number of the directors or supervisors to be elected, and a shareholder may concentrate his voting rights. The Board shall make public to the shareholders the resume and general information of the candidates for directors and supervisors.~~

~~The nomination and election of directors or supervisors shall adopt the cumulative voting system, the procedures of which shall be as follows:~~

The nominator shall not nominate individuals who have interested relationship with it or other closely-related individuals who may affect its independent performance of its duties as candidates for independent directors. **Prior to making a nomination, the nominator shall obtain the consent and have a full understanding of the**

professional title, detailed work experience, all part-time positions, and any records of bad faith (including material dishonesty). The nominator shall also express opinions on the nominator's eligibility in terms of independence and other qualifications required for serving as an independent director. The nominee shall issue a statement confirming such eligibility.

The cumulative voting system shall be adopted for the election of independent directors.

(III) Shareholders who nominate candidates for **directors (including independent directors)** shall submit the intention of nominating candidates for directors (independent directors) and their resumes to the secretary to the Board of the Company in writing 10 days before the

for directors (including independent directors) shall conduct a written undertaking (in any form of notice) agree to accept the nomination, and undertake that the information disclosed is true and complete and ensure to earnestly perform the duties of directors upon election. The Board shall be responsible for preparing proposals and submitting them to the shareholding meeting for the nomination of directors (including independent directors).

(IV) **Employee representative directors** are elected by the employee representatives assembly, the general employee meeting or other forms of democratic elections of the Company.

When voting on the election of directors, the shareholding meeting may implement accumulative voting system if there are over one proposed director or supervisor.

Accumulative voting system referred to in the preceding paragraph means a system whereby each share, carries the number of voting rights equivalent to the number of the directors to be elected, and a shareholder may concentrate his voting rights. The Board shall make public to the shareholders the resume and general information of the candidates for directors.

The nomination and election of directors shall adopt the cumulative voting system, the procedures of which

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<p>than five years have elapsed since the date of the end of such punishment or deprivation, or a person who has been imposed a probation, where less than 2 years have elapsed since the expiration of the probation period;</p> <p>(III) a person who is a former director, factory manager or manager of a company or enterprise, which has entered into insolvent liquidation as a result of mismanagement and he/she is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(IV) a person who is a former legal representative of a company or enterprise, which had its business license revoked and was ordered to close down due to a violation of laws and who incurred personal liability, where less than three years have elapsed since the date of the revocation of the business license or the order to close down;</p> <p>(V) a person who has a substantial amount of debts due and outstanding and is listed as dishonest persons subject to enforcement by the people's court;</p> <p>(VI) a person who was investigated by judicial offices for violation of criminal law and the lawsuit is not settled yet;</p> <p>(VII) a person who cannot serve as corporate leaders according to laws and administrative regulations;</p> <p>(VIII) a person who has been convicted by the competent authority for violation of securities regulations and acting fraudulently or dishonestly, where less than five years have elapsed since the date of conviction;</p> <p>(IX) a person under a penalty of prohibited access to the securities market imposed by the CSRC, which penalty is still effective;</p> <p>(X) other contents as prescribed by laws, administrative regulations or departmental rules.</p> <p>Where the Company elects and appoints its directors in violation of the provisions of this Article, such election, appointment or engagement shall be invalid. Where, during his/her term of office, a director is found to be a person as specified in the circumstances herein, the Company shall remove him/her from office.</p>	<p>than five years have elapsed since the date of the end of such punishment or deprivation, or a person who has been imposed a probation, where less than 2 years have elapsed since the expiration of the probation period;</p> <p>(III) a person who is a former director, factory manager or manager of a company or enterprise, which has entered into insolvent liquidation and he/she is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(IV) a person who is a former legal representative of a company or enterprise, which had its business license revoked and was ordered to close down due to a violation of laws and who incurred personal liability, where less than three years have elapsed since the date of the revocation of the business license or the order to close down;</p> <p>(V) a person who has a substantial amount of debts due and outstanding and is listed as dishonest persons subject to enforcement by the people's court;</p> <p>(VI) a person under a prohibition of access to the securities market imposed by the CSRC, which penalty is still effective;</p> <p>(VII) a person who has been publicly determined by the stock exchange to be unfit to serve as a director or senior manager of a listed company, which determination remains effective;</p> <p>(VIII) other contents as prescribed by laws, administrative regulations or departmental rules.</p> <p>Where the Company elects and appoints its directors in violation of the provisions of this Article, such election, appointment or engagement shall be invalid. Where, during his/her term of office, a director is found to be a person as specified in the circumstances herein, the Company shall remove him/her from office and terminate his/her performance of duties.</p>
<p>Article 115 employee representative in the Board of the Company.</p> <p>Directors shall be elected or replaced at a shareholders' general meeting and may be removed from office prior to the expiry of their term of office, and the</p>	<p>Article 114 The Board of the Company shall have one (1) director served by employee representative. The employee representative director shall be elected by the employee representatives assembly, the general employee meeting or other forms of democratic</p>

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<p>term of office shall be three years. Upon expiry, the term of office may be renewed if he/she is re-elected. Directors are not required to hold shares of the Company.</p> <p>The term of office of a director shall be calculated from the date upon which the director assumes office to the expiry of the current Board. If the term of office of a director expires but re-election is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until a new director is elected.</p> <p>The president or other senior management may concurrently serve as directors, provided that the total number of directors who concurrently serve as the president or other senior management and directors who are employee representatives shall not exceed one half of the total number of directors of the Company.</p> <p>All directors of the Company shall be elected and appointed at the general meeting, and the procedures for the election and appointment of directors of the Company shall be as follows:</p> <p>(I) propose a candidate list of directors in accordance with Article 100 of the Articles of Association;</p> <p>(II) the Company shall disclose the detailed information of director candidates before holding of the general meeting to enable adequate understanding of the candidates by the shareholders before voting;</p> <p>(III) the director candidates shall undertake in writing before holding of the general meeting that they accept their nomination, warrant the accuracy and completeness of their information and that they will diligently perform their duties as directors upon being elected;</p> <p>(IV) vote at the general meeting in accordance with its voting procedures.</p>	<p>elections of the Company, without being submitted to</p> <p>Non-employee representative directors shall be elected or replaced by the shareh and may be removed from office prior to the expiry of their term of office, and the term of office shall be three years. Upon expiry, the term of office may be renewed if he/she is re-elected, provided that an independent director shall serve a continuous term of no more than 6 years. Directors are not required to hold shares of the Company.</p> <p>The term of office of a director shall be calculated from the date upon which the director assumes office to the expiry of the current Board. If the term of office of a director expires but re-election is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until a new director is elected.</p> <p>The president or other senior management may concurrently serve as directors, provided that the total number of directors who concurrently serve as the president or other senior management and directors who are employee representatives shall not exceed one half of the total number of directors of the Company.</p> <p>All non-employee representative directors of the Company shall be elected and appointed at the meeting, and the procedures for the election and appointment of such directors of the Company shall be as follows:</p> <p>(I) propose a candidate list of directors in accordance with Article 99 of the Articles of Association;</p> <p>(II) the Company shall disclose the detailed information of director candidates before holding of the general meeting to enable adequate understanding of the candidates by the shareholders before voting;</p> <p>(III) the director candidates shall undertake in writing before holding of the general meeting that they accept their nomination, warrant the accuracy and completeness of their information and that they will diligently perform their duties as directors upon being elected;</p> <p>(IV) vote at the general meeting in accordance with its voting procedures.</p>
<p>Article 116 The directors shall comply with the laws, administrative regulations, and the Articles of Association. They shall bear the obligations of fidelity to the Company:</p> <p>(I) not to exploit his/her official functions and powers to accept bribes or other unlawful income, and not to</p>	<p>Article 115 The directors shall comply with the laws, administrative regulations, and the Articles of Association. They shall bear the obligations of fidelity to the Company:</p> <p>(I) not to exploit his/her official functions and powers to accept bribes or other unlawful income, and not to</p>

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<p>(II) not to misappropriate the Company's assets;</p> <p>(III) not to open in his/her own name or in another name or in the name of any other person or entity the account of the Company or to deposit or depositing a sum of money or other assets of the Company;</p> <p>(IV) not to person or not to use the Company's name or to use the Company's name for any other individual in violation of the Articles of Association or without the consent of the general meeting or the Board;</p> <p>(V) not to enter into any contract or transaction with the Company in violation of the Articles of Association or without the consent of the general meeting;</p> <p>(VI) not to seek business opportunities accounted to the Company for himself/herself or any other persons by exploiting his/her official functions, or run the same or similar businesses as those of the Company for himself/herself or for others, without the consent of the general meeting;</p> <p>(VII) not to accept commissions arising from transactions with the Company and appropriate to himself/herself;</p> <p>(VIII) not to disclose confidential information;</p> <p>(IX) not to abuse his/her connections with the Company to jeopardize the interests of the Company;</p> <p>(X) other obligation of fidelity provided by laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>The income incurred in violation of this Article shall be accounted to the Company; for any loss caused to the Company, he/she shall be liable for compensation.</p>	<p>(II) not to misappropriate the Company's assets;</p> <p>(III) not to open in his/her own name or in another name or in the name of any other person or entity the account of the Company or to deposit or depositing a sum of money or other assets of the Company;</p> <p>(IV) not to operate any business similar to that of the Company for his/her own benefit or for the benefit of any third party in violation of the Articles of Association or without the consent of the general meeting;</p> <p>(V) not to enter into any contract or transaction with the Company in violation of the Articles of Association or without the consent of the general meeting;</p> <p>(VI) not to seek business opportunities accounted to the Company for himself/herself or any other persons by exploiting his/her official functions, except as approved by the Company is prohibited from employing such business opportunities by applicable laws, administrative regulations or the Articles of Association;</p> <p>(VII) not to accept commissions arising from transactions with the Company and appropriate to himself/herself;</p> <p>(VIII) not to illegally disclose confidential information;</p> <p>(IX) not to abuse his/her connections with the Company to jeopardize the interests of the Company;</p> <p>(X) other obligation of fidelity provided by laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>The income incurred in violation of this Article shall be accounted to the Company; for any loss caused to the Company, he/she shall be liable for compensation.</p> <p>The provisions of Subparagraph (V) of Paragraph 1 of this Article shall apply to any contracts or transactions entered into with the Company, by any close relatives of the directors and senior officers, enterprises directly or indirectly controlled by the directors, senior officers or their close relatives, and any other persons connected with the directors and senior officers.</p>
<p>Article 117 Directors shall abide by laws and regulations and the Articles of Association and perform the following duties of diligence:</p> <p>(I) to exercise the powers authorized by the Company</p>	<p>Article 116 Directors shall abide by laws and regulations and the Articles of Association, exercise the due and reasonable care expected of a prudent manager in the best interests of the Company, and</p>

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in a prudent, careful and diligent way so as to ensure that the commercial activities of the Company are in compliance with PRC laws and regulations and economic policies, and that the business activities do not exceed the business scope of the Company as registered in the business license;

(II) to treat all shareholders equally;

(III) to seek to know the operation of the business and administration of the Company in time;

(IV) to issue in writing opinions of confirmation to the periodic reports of the Company so as to ensure that the information disclosed by the Company are true, accurate and complete;

(V) to provide information and documents according to the facts to ~~the Supervisory Committee~~ and not to hinder the exercise of responsibilities by ~~the Supervisory Committee or supervisors~~;

(VI) other duties of diligence as prescribed by laws, administrative regulations, departmental rules and the articles of Association.

assume the following duties of diligence to the Company:

(I) to exercise the powers authorized by the Company in a prudent,

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<p>shall remain in effect until such trade secrets become public information. Such directors shall not use the core technology of the company to engage in the same or similar business as the company. The duration of the other obligations shall not be less than 2 years.</p>	<p>shareholders thereof shall not terminate automatically after the effective date of his/her resignation and at the end of his/her term of office, but the duty of confidentiality it owes to the Company's trade secrets (including core technologies, etc.) shall remain in effect until such trade secrets become public information. Such directors shall not use the core technology of the company to engage in the same or similar business as the company. The duration of the other obligations shall not be less than 2 years.</p>
<p>Article 125 The Board shall be composed of seven directors (including three independent directors), all of whom are elected at the general meeting.</p>	<p>Article 124 The Board shall be composed of seven directors, including three independent directors and one employee representative director.</p>
<p>Article 126 The Board shall exercise the following functions and powers:</p> <ul style="list-style-type: none"> (I) to convene general meetings and to report on its work at the general meetings; (II) to implement resolutions of the general meetings; (III) to decide on the business plans and investment proposals of the Company; (IV) to prepare proposals for profit distribution and for making up accrued losses of the Company; (V) to prepare proposals for the increase or reduction of share capital, the issue of bonds or other securities and listing; (VI) to draft proposals for major acquisitions, purchase dissolution, or change in the form of the Company; (VII) within the scope of authorization by the general meeting, to make decisions on external investments, assets purchase or sales, assets pledges, external guarantees, entrusted wealth management, related party transactions, donations etc.; (VIII) to decide on the establishment of internal management organization of the Company; (IX) to decide on the appointment or dismissal of the president, the secretary to the Board and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties, and at the recommendation of the president, to decide on the appointment or dismissal of a vice president, finance director and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties; (X) to formulate the basic management regulations of 	<p>Article 125 The Board shall exercise the following functions and powers:</p> <ul style="list-style-type: none"> (I) to convene general meetings and to report on its work at the general meetings; (II) to implement resolutions of the general meetings; (III) to decide on the business plans and investment proposals of the Company; (IV) to prepare proposals for profit distribution and for making up accrued losses of the Company; (V) to prepare proposals for the increase or reduction of share capital, the issue of bonds or other securities and listing; (VI) to draft proposals for major acquisitions, purchase of the Company dissolution, or change in the form of the Company; (VII) within the scope of authorization by the general meeting, to make decisions on external investments, assets purchase or sales, assets pledges, external guarantees, entrusted wealth management, related party transactions, donations etc.; (VIII) to decide on the establishment of internal management organization of the Company; (IX) to decide on the appointment or dismissal of the president, the secretary to the Board and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties, and at the recommendation of the president, to decide on the appointment or dismissal of a vice president, finance director and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties; (X) to formulate the basic management regulations of

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the Company;

(XI) to prepare proposals for the amendment to the Articles of Association;

(XII) to manage disclosure of information concerning the Company;

(XIII) to propose to the general meeting for the engagement or change of auditors of the Company;

(XIV) to receive reports and examine the work of the president of the Company;

(XV) such other duties and functions as authorized by the laws, administrative regulations, departmental rules or the Articles of Association.

~~Resolutions of the Board referred to in the preceding paragraph, with the exception of items (V), (VI) and (XI) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.~~

Matters beyond the scope of authorization of the general meeting shall be submitted to the general meeting for consideration. The statutory functions and powers of the Board shall not be exercised by the chairman of the Board or the president.

The Board shall set up the audit committee, and shall set up the strategy committee, the nomination committee, and the remuneration and assessment committee and other special committees as required. These special committees shall be responsible to the Board, fulfill duties according to the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for deliberation. Members of special committees are all directors. ~~In the audit committee, the nomination committee and the remuneration and assessment committee, independent directors shall take the majority and assume the role of convener. The convener of the audit committee shall be an accountant professional.~~

The Board is responsible for establishing the working procedures of the special committees to regulate their operations.

the Company;

(XI) to prepare proposals for the amendment to the Articles of Association;

(XII) to manage disclosure of information concerning the Company;

(XIII) to propose to the general meeting for the engagement or change of auditors of the Company;

(XIV) to receive reports and examine the work of the president of the Company;

(XV) such other duties and functions as authorized by the laws, administrative regulations, departmental rules or the Articles of Association.

Matters beyond the scope of authorization of the general meeting shall be submitted to the general meeting for consideration. The statutory functions and powers of the Board shall not be exercised by the chairman of the Board or the president.

The Board shall set up the audit committee, and shall set up the strategy committee, the nomination committee, and the remuneration and assessment committee and other special committees as required. These special committees shall be responsible to the Board, fulfill duties according to the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for deliberation. Members of special committees are all directors.

Among them, the Audit Committee shall consist of 3 members, all of whom shall be directors not serving as senior officers of the Company, including 2 independent directors. Meetings of the Audit Committee shall be convened by an independent director with accounting expertise. Both the members of the Audit Committee and the convener shall be elected by the Board of Directors. In both the Nomination Committee and the Remuneration and Appraisal Committee, independent directors shall constitute the majority and serve as conveners of the committee meetings.

The Audit Committee shall hold meetings at least once every quarter. Interim meetings may be convened upon the request of two or more members or when the convener deems it necessary. A meeting of the Audit Committee shall require the attendance of at least two-thirds of its members to be held.

No resolutions of the Audit Committee shall be adopted unless it is voted for by a majority of its members.

Each member of the Audit Committee shall have one vote in the voting for the resolutions.

For all resolutions of the Audit Committee, meeting

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minutes shall be prepared in accordance with applicable rules and regulations, which shall bear the signatures of all members of the Audit Committee present.

The Board is responsible for establishing the working procedures of the special committees to regulate their operations.

Article 130 The Board shall determine the scope of authority in respect of external investment, acquisition and disposal of assets, asset mortgage, external guarantee, entrusted wealth management, related party transactions and donations. It shall establish strict inspection and decision-making procedures. For major investment projects, the Board shall organize the relevant experts and professional to conduct assessment for approval of the shareholders at a shareholders' general meeting.

According to the relevant laws and regulations and the actual situation of the Company, the Board shall have the authority to consider the following transactions:

(I) the total assets which are the subject of the transaction account for more than 10% ~~but less than 50%~~ of the latest audited total assets of the Company. If there are both book value and assessed value for the assets which are the subject of the transaction, the higher figure shall be used as the basis of calcu

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<p>of such profit exceeding RMB1 million;</p> <p>(VII) consideration and approval of the related transaction to be entered into between the Company and related natural persons in the amount of RMB0.3 million or above (except for related guarantees); and consideration and approval of the related transaction entered into between the Company and related legal persons in the amount of RMB3 million or above and accounting for more than 0.5% of the absolute amount of the latest audited net assets of the Company (except for related guarantees);</p> <p>(VI)</p> <p>If the numbers involved in the aforesaid indicators are negative, the absolute value shall be used for calculation.</p> <p>As the Board reviews the guarantee, it shall be approved by over two-thirds of the directors present at the Board meeting, after being passed by over half of all directors.</p> <p>For any transaction that need to be considered at the general meetings, if the subject matter of the transaction is equity of a company, the Company shall engage an accounting firm that meets the requirements of the Securities Act to audit the financial and accounting report of the subject matter of the transaction for the latest year and period, and the ending date of the audit report shall not exceed six months from the signing date of the agreement; if the subject matter of the transaction is asset other than equity, the Company shall engage an assets appraisal firm with the qualification to carry out business related to securities and futures to conduct appraisal, and the benchmark date of appraisal shall not be more than one year from the signing date of the agreement.</p>	<p>for the most recent financial year, with the absolute amount of such profit exceeding RMB1 million;</p> <p>(VII) consideration and approval of the related transaction to be entered into between the Company and related natural persons in the amount of RMB0.3 million or above (except for related guarantees); and consideration and approval of the related transaction entered into between the Company and related legal persons in the amount of RMB3 million or above and accounting for at least 0.5% of the absolute amount of the latest audited net assets of the Company (except for related guarantees);</p> <p>(V)</p> <p>If the numbers involved in the aforesaid indicators are negative, the absolute value shall be used for calculation.</p> <p>The Company shall formulate such rules and policies as the Rules of Procedure for Meeting, the Rules of Procedure for Board of Directors, the Related Party Transaction Decision-Making Policy, the External Guarantee Policy, and the Securities, Futures, and Derivatives Investment Management Policy, which clearly define the authority to deliberate on various types of transactions. Where these rules and policies provide different standards for transaction deliberation authority, such standards shall prevail.</p> <p>As the Board reviews the guarantee, it shall be approved by over two-thirds of the directors present at the Board meeting, after being passed by over half of all directors.</p> <p>For any transaction that need to be considered at the general meetings, if the subject matter of the transaction is equity of a company, the Company shall engage an accounting firm that meets the requirements of the Securities Act to audit the financial and accounting report of the subject matter of the transaction for the latest year and period, and the ending date of the audit report shall not exceed six months from the signing date of the agreement; if the subject matter of the transaction is asset other than equity, the Company shall engage an assets appraisal firm with the qualification to carry out business related to securities and futures to conduct appraisal, and the benchmark date of appraisal shall not be more than one year from the signing date of the agreement.</p>
<p>Article 131 In cases where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets disposed of within four months before the proposed disposal, exceeds 33% of the fixed</p>	<p>Deleted</p>

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<p>assets value set out in the latest balance sheet reviewed by</p> <p>dispose of or consent to dispose of such fixed assets</p> <p>meetings.</p> <p style="text-align: center;">ed as</p> <p>Article represents (among other things) transferring certain interests in assets, but not including provision of guarantees with fixed assets.</p> <p>The validity of transactions regarding fixed assets disposal by the Company shall not be affected due to a breach of the first paragraph of this Article.</p>	
<p>Article 140 When the directors have connected relationship with the enterprise involved in the resolution to be passed at the Board meeting, he/she shall not vote in respect of such resolution, nor shall vote on behalf of other directors. Such Board meeting shall be held in the attendance of more than half of the directors without connected relationship. All resolutions to be passed at the Board meeting shall be passed by more than half of the directors without connected relationship. If number of the directors without connected relationship attending the meeting is less than 3, such matter shall be resolved at the general meeting.</p>	<p>Article 138 When a director has connected relationship with the enterprise involved in the resolution to be passed at the Board meeting, he/she shall promptly report to the Board, and shall neither vote in respect of such resolution, nor vote on behalf of other directors. Such Board meeting shall be held in the attendance of at least half of the directors without connected relationship. All resolutions to be passed at the Board meeting shall be passed by at least half of the directors without connected relationship. If number of the directors without connected relationship attending the meeting is less than 3, such matter shall be resolved at the general meeting.</p>
<p>Article 146 The secretary to shall have the requisite professional knowledge in terms of finance, management and law, possess good professional ethics and personal quality. Any of the following persons shall not serve as a secretary to the Board:</p> <p>(I) not meeting the qualifications required by the Company Law</p> <p>(II) having been subject to the administrative punishment of China Securities Regulatory Commission in the recent year years;</p> <p>(III) having been publicly censured or criticized by circulating a notice of criticism for more than three (3) times by a stock exchange in the recent three years;</p> <p>(IV) currently serving as supervisor of the Company;</p> <p>(V) was banned from market entry by the China Securities Regulatory Committee and still in the period of banning;</p> <p>(VI) has been publicly declared by any stock exchange to be unsuitable for serving as the secretary to the Board of any listed company;</p>	<p>Article 144</p> <p>shall have the requisite professional knowledge in terms of finance, management and law, possess good professional ethics and personal quality. Any of the following persons shall not serve as a secretary to the Board:</p> <p>(I) not meeting the qualifications required by the Company Law</p> <p>(II) having been subject to the administrative punishment of China Securities Regulatory Commission in the recent year years;</p> <p>(III) having been publicly censured or criticized by circulating a notice of criticism for more than three (3) times by a stock exchange in the recent three years;</p> <p>(IV) other circumstances that are inappropriate to take the post of secretary to the Board as stipulated by laws, regulations, the rules of the Shanghai Stock Exchange or the Articles of Association.</p>

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relevant records and documents of the Company can access such records and documents in a timely manner;

(VIII) to assist the directors, ~~supervisors~~, the president and other senior management to understand the laws, regulations in relation to information disclosure, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the Articles of Association and their legal responsibilities under the listing agreement;

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<p>and the secretary to the Board may not perform such act in a dual capacity.</p>	
<p>Article 151 Provisions of Article 114 of the Articles of Association regarding the disqualified directors shall also apply to senior management.</p> <p>Provisions of Article 116 of the Articles of Association regarding the duties of loyalty and (IV) -- (VI) of Article 117 regarding the duties of diligence of directors shall also apply to senior management.</p>	<p>Article 149 Provisions of Article 113 of the Articles of Association regarding disqualification of directors and the resignation management system shall also apply to senior management.</p> <p>Provisions of the Articles of Association regarding the duties of loyalty and diligence of directors shall also apply to senior management.</p>

Article 157 The president may resign before expiry of his/her term of office. The specific procedures and methods for the resignation of the president shall be specified in the employment contract concluded by the president and the Company.

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Article 165 A supervisor shall ensure that information disclosed by the Company is true, accurate and complete and he/she shall sign on the periodical report with written confirmation.

Article 166 Supervisors shall attend Board meetings and may raise queries or proposals regarding matters resolved at such meetings.

Article 167 Supervisors shall not prejudice the interests of the Company by means of their connected relationship or they shall be liable for compensation for any loss caused to the Company.

Article 168 If supervisors have violated the provisions of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing their duties, which has caused losses to the Company, they shall be liable for compensation.

Section 2 Supervisory Committee

Article 169 The Company shall set up a Supervisory Committee which shall be composed of three supervisors. The Supervisory Committee shall have one chairperson. The election of the chairperson of the Supervisory Committee shall be determined by more than half of the members of the Supervisory Committee. The meetings of Supervisory Committee shall be convened and presided over by the chairperson of the Supervisory Committee. If the chairperson of the Supervisory Committee is unable or fails to perform his/her duties, such meeting shall be convened and presided over by a supervisor jointly elected by more than half of the supervisors.

The Supervisory Committee shall include Shareholder representatives and a proper proportion of employee representatives. The proportion of employee representatives shall be two-thirds. The employee representatives of the Supervisory Committee shall be elected and removed by employees of the Company at the employee repr otherwise democratically.

Article 170 The Supervisory Committee shall exercise the following functions and powers:

(I) reviewing and expressing its review comments in writing on securities issuance documents and periodic reports prepared by the Board;

(II) examining the financial status of the Company;

(III) monitoring the performance of duties of directors and senior management, and proposing the dismissal of directors and senior management who have violated the laws, administrative regulations and the Articles of

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general meeting;

(IV) demanding for remedies of any damage to the legal right of the Company caused by directors and senior management;

(V) proposing the convening of extraordinary general

meetings in the event of the Board having failed to perform so pursuant to the Company Law;

meeting;

(VII) instituting legal proceedings against directors and senior management in accordance with Article 151 of the Company Law;

(VIII) in case of any irregularity of the Company's operation identified, making investigations and if necessary, engaging professional institutions (such as accounting or law firms) to assist in its work at the expense of the Company;

(IX) other functions and powers conferred by the laws, administrative regulations and the Articles of ting.

Article 171 Meetings of the Supervisory Committee shall be held at least once every 6 months. Supervisors may propose to hold extraordinary meetings of the Supervisory Committee.

Resolutions of the Supervisory Committee shall be passed by the affirmative votes of half or more of the supervisors.

Article 172 The Supervisory Committee shall formulate procedural rules of the Supervisory Committee, specify the method for conducting business and the voting procedures of the Supervisory Committee, so as to ensure the working efficiency and scientific decision making of the Supervisory Committee.

Article 173 The Supervisory Committee shall cause decisions made during the meeting to be produced to minutes of meetings, and supervisors present shall sign on such minutes.

A Supervisor is entitled to request the points made by him/her as expressed in his/her discussion to be recorded as representations made in the meeting. Minutes of meetings of the Supervisory Committee shall be kept in the files of the Company for at least ten years.

Article 174 A notice of meeting of the Supervisory Committee shall include the following:

(I) date and venue of meeting and duration of the meeting;

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- (I) Principles of profit distribution policy

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<p>consideration and passed by the shareholders with more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>	<p>independent director may also solicit opinions from minority shareholders, propose an alternative cash distribution plan, and submit the same directly to the Board for deliberation.</p> <p>5. The formulation and any amendment the profit distribution policy of the Company shall be submitted at a</p> <p>passed by the shareholders with at least two-thirds of the voting rights held by the shareholders present at the meeting.</p>
<p>Article 203 The internal audit system and the duties of the auditors of the Company shall be subject to the approval of the Board. The officer in charge of audit shall be accountable to the Board and report his/her work to the Board.</p>	<p>Article 187 The internal audit system and the duties of the auditors of the Company shall be subject to the approval of the Board. The internal audit body shall be accountable to the Board.</p>
<p>Newly added</p>	<p>Article 188 The internal audit body shall operate under the supervision and guidance of the Audit Committee with respect to business activities, risk management, internal control and supervision and inspection of financial information. The internal audit body shall directly report to the Audit Committee immediately after identification of any material issues or leads.</p>
<p>Newly added</p>	<p>Article 189 The internal audit body shall be responsible for the organization and implementation of the internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report and related materials issued by the internal audit body and deliberated by the Audit Committee.</p>
<p>Newly added</p>	<p>Article 190 The Audit Committee shall participate in the performance evaluation of the head of the internal audit body.</p>
<p>Article 205 The appointment of accounting firms of the Company shall be subject to the approval of the Board. The Board shall not appoint any accounting firm, unless otherwise specified in the Articles of Association.</p>	<p>Article 192 The appointment and dismissal of accounting firms engaged by the Company to conduct its audit shall be subject to the approval of the Board, prior to which the Board shall not appoint any accounting firm, unless otherwise specified in the Articles of Association.</p>
<p>Article 208 An accounting firm engaged by the Company shall have the following rights:</p> <p>(I) the right of accessing to the account books, records or vouchers of the Company at any time and the right to require directors, the president or other senior management of the Company to provide relevant information and</p>	<p>Deleted</p>

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<p>form of absorption or establishment of a new company.</p> <p>One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.</p>	<p>form of absorption or establishment of a new company.</p> <p>One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.</p> <p>merger does not exceed 10% of its net assets, it may be unless otherwise provided in the Articles of Association</p> <p>Any merger conducted by the Company pursuant to the preceding paragraph shall be subject to a resolution by the Board if a resolution of the</p>
<p>Article 225 The Company shall prepare a balance sheet and an inventory of property when it needs to reduce its registered capital.</p> <p>The Company shall notify the creditors within 10 days from the date of making the resolution to reduce the registered capital, and shall make announcements in the designated media for the disclosure of information about the Company within 30 days. The creditors may require the Company to repay debts or to provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors have not received the notice.</p> <p>The registered capital of the Company after the capital reduction shall not be lower than the statutory minimum.</p>	<p>Article 208 The Company shall prepare a balance sheet and an inventory of property when it needs to reduce its registered capital.</p> <p>The Company shall notify the creditors within 10 days from the date of making the resolution to reduce the registered capital, and shall make announcements in the designated media for the disclosure of information about the Company within 30 days. The creditors may require the Company to repay debts or to provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors have not received the notice.</p> <p>Unless otherwise provided by law or the Articles of Association, the Company may r capital contributions or shares disproportionately to their shareholdings when reducing its registered capital.</p> <p>The registered capital of the Company after the capital reduction shall not be lower than the statutory minimum.</p>
<p>Article 227 The Company may be dissolved for the following reasons:</p> <p>(I) The term of operation stipulated in the Articles of Association has expired or circumstances for dissolution specified in the Articles of Association arises;</p> <p>(II) A resolution for dissolution is passed at a</p> <p>(III) Merger or division of the Company entails dissolution;</p>	<p>Article 210 The Company may be dissolved for the following reasons:</p> <p>(I) The term of operation stipulated in the Articles of Association has expired or circumstances for dissolution specified in the Articles of Association arises;</p> <p>(II) A resolution for dissolution is passed at a</p> <p>(III) Merger or division of the Company entails dissolution;</p>

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<p>(IV) The business license is revoked or the Company is ordered to close down or be de-registered according to the law due to a violation of laws and administrative regulations;</p> <p>(V) Where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any other channel, shareholders representing more than 10% of the voting rights of all shareholders of the Company may request the</p> <p>(VI) The Company is legally declared insolvent due to its failure to repay due debts.</p>	<p>(IV) The business license is revoked or the Company is ordered to close down or be de-registered according to the law due to a violation of laws and administrative regulations;</p> <p>(V) Where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any other channel, shareholders representing at least 10% of the voting rights of all shareholders of the Company may request the o dissolve the Company;</p> <p>If the Company is subject to any event of dissolution provided in the preceding provision, such event shall be disclosed on the National Enterprise Credit Information Publicity System within ten days.</p>
<p>Article 229 Where the Company is dissolved in accordance with clauses (I), (II), (IV) and (V) of Article 227 hereof, a liquidation committee shall be established to effect liquidation within 15 days from the date of occurrence of the cause of liquidation. The liquidation committee shall be composed of directors, unless it is otherwise provided in the Articles of Association or decided by the shareholders' meeting. If a liquidation committee is not set up for liquidation before the deadline, or if the liquidation committee does not commence the liquidation after its setup, interested parties may apply to the people's court to organize the shareholders, relevant authorities and professionals to establish a liquidation committee to carry out liquidation.</p> <p>In the case of dissolution of the Company under item (VI) of Article 227 hereof, the people's court shall, according to relevant laws, organize the shareholders, relevant authorities and professionals to establish a liquidation committee to carry out liquidation.</p>	<p>Article 212 Where the Company is dissolved in accordance with clauses (I), (II), (IV) and (V) of Article 227 hereof, a liquidation committee shall be established to effect liquidation within 15 days from the date of occurrence of the cause of liquidation. The liquidation committee shall be composed of directors, unless it is otherwise provided in the Articles of Association or decided by the shareholders' meeting. If a liquidation committee is not set up for liquidation before the deadline, or if the liquidation committee does not commence the liquidation after its setup, interested parties may apply to the people's court to organize the shareholders, relevant authorities and professionals to establish a liquidation committee for liquidation.</p>
<p>Article 230 If the Board decides to perform the declaration of bankruptcy, it shall state in the notice for convening the general meeting in this regard that a thorough inspection</p> <p>shall be completed by it within 12 months upon commencement of the liquidation.</p> <p>The functions and powers of the Board of the Company shall terminate immediately upon the adoption by the shareholders' meeting of the resolution on liquidation.</p> <p>The liquidation committee shall take instructions from the shareholders' general meeting, and not less than once a month shall report to the shareholders' general meeting on the liquidation progress.</p>	<p>Deleted</p>

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<p>th the Company and the progress of the liquidation. It shall make a final report to the shareholders' general meeting when the liquidation is completed.</p>	
<p>Article 231 During liquidation, the liquidation committee shall exercise the following functions and powers:</p> <p>(I) To examine and take possession of the assets of the Company and prepare the balance sheet and an inventory of property;</p> <p>(II) To inform creditors by notice or announcement;</p> <p>(III) To deal with the outstanding businesses of the Company relating to the liquidation;</p> <p>(IV) To pay off outstanding taxes as well as taxes arising in the course of the liquidation;</p> <p>(V) To settle credits and debts;</p> <p>(VI) To dispose of the remaining assets of the Company after repayment of debts;</p> <p>(VII) To represent the Company in civil proceedings.</p>	<p>Article 213 During liquidation, the liquidation committee shall exercise the following functions and powers:</p> <p>(I) To examine and take possession of the assets of the Company and prepare the balance sheet and an inventory of property;</p> <p>(II) To inform creditors by notice or announcement;</p> <p>(III) To deal with the outstanding businesses of the Company relating to the liquidation;</p> <p>(IV) To pay off outstanding taxes as well as taxes arising in the course of the liquidation;</p> <p>(V) To settle credits and debts;</p> <p>(VI) To distribute the remaining assets of the Company after repayment of debts;</p> <p>(VII) To represent the Company in civil proceedings.</p>
<p>Article 234 In the case of liquidation as a result of dissolution of the Company, after the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and an inventory of property, if it discovers that the Company's assets are insufficient to repay its debts in full, it shall immediately apply to the court for the Company to be declared bankrupt according to law.</p> <p>Following a ruling of the court that the Company is bankrupt, the liquidation committee shall transfer to the people's court the assets of the Company remaining after liquidation.</p>	<p>Article 216 In the case of liquidation as a result of dissolution of the Company, after the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and an inventory of property, if it discovers that the Company's assets are insufficient to repay its debts in full, it shall immediately apply to the court for the Company to be declared bankrupt and liquidation.</p> <p>Following acceptance of the bankruptcy petition by the court, the liquidation committee shall transfer to the people's court the assets of the Company remaining after liquidation.</p>

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<p>termination of the Company.</p>	
<p style="text-align: center;">CHAPTER XV SUPPLEMENTARY PROVISIONS</p> <p>Article 229 Definitions</p> <p>(I) Controlling shareholder refers to a person that satisfies any of the following conditions: 1. he/she, acting alone or in concert with others, has the power to elect at least one half of the directors; 2. he/she holds shares which represent more than 50% of the total share capital of the Company; or 3. he/she, although holding less than 50% of the shares, has sufficient voting rights to exert significant influence on the resolutions of meeting based on their shareholding, including but not limited to: (1) he/she, acting alone or in concert with others, has the power to exercise or to control the exercise of, acting alone or in concert with others, holds at least 30% of the outstanding shares of the Company; (3) he/she, acting alone or in concert with others, actually controls the Company in any other manner.</p> <p>(II) De facto controller refers to a person who is not the shareholder of the Company but who can effectively control the Company through investment, agreement or other arrangement.</p> <p>(III) Connected relations refers to relations between a controlling shareholder, de facto controller, director, supervisor or the senior management of the Company and the enterprise directly or indirectly controlled by the same, which relations may give rise to a transfer of interests of the Company, provided however that there should be no related party relationship between state-controlled enterprises solely because they are under the common control of the state.</p>	<p style="text-align: center;">CHAPTER XV SUPPLEMENTARY PROVISIONS</p> <p>Article 229 Definitions</p> <p>(I) Controlling shareholder refers to a person that satisfies any of the following conditions: 1. he/she, acting alone or in concert with others, has the power to elect at least one half of the directors; 2. he/she holds shares which represent more than 50% of the total share capital of the Company; or 3. he/she, although holding less than 50% of the shares, has sufficient voting rights to exert significant meeting based on their shareholding, including but not limited to: (1) he/she, acting alone or in concert with others, has the power to exercise or to control the exercise of acting alone or in concert with others, holds at least 30% of the outstanding shares of the Company; (3) he/she, acting alone or in concert with others, actually controls the Company in any other manner.</p> <p>(II) De facto controller refers to a person who is not the shareholder of the Company but who can effectively control the Company through investment, agreement or other arrangement.</p> <p>(III) Connected relations refers to relations between a controlling shareholder, de facto controller, director or the senior management of the Company and the enterprise directly or indirectly controlled by the same, which relations may give rise to a transfer of interests of the Company, provided however that there should be no related party relationship between state-controlled enterprises solely because they are under the common control of the state.</p>