

Guidelines for Articles of Association of Listed Companies (2019 Revision)

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Chapter 1 GENERAL PRINCIPLES

Article 1 These Guidelines are formulated pursuant to the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law") and other relevant provisions for the purposes of protecting the legitimate rights and interests of companies, shareholders and creditors, and standardising organisation and acts of companies.

Article 2 A company shall be a company limited by shares established pursuant to the 【title of regulation】 and other relevant provisions (hereinafter referred to as the "company").

The company shall be established by way of 【establishment method】; registered with the administration for industry and commerce at the [location of the company registration authorities], and obtain a business licence, business licence number [business licence number].

Note: pursuant to the provisions of laws and administrative regulations, where approval is required for establishment of a company, the approval authorities and title of approval document shall be stated.

Article 3 The company is approved on 【date of approval】 by the 【full name of approval authorities】 to issue 【number of shares】 Renminbi-denominated ordinary shares to the public in its first public offering, and the shares are listed on 【date of listing】 on the 【full name of stock exchange】.

The company is approved on 【date of approval】 by the 【full name of approval authorities】 to issue 【number of shares】 preference shares which are listed on 【date of listing】 on the 【full name of stock exchange】. The company issued 【number of shares】 foreign-funded shares listed in China on 【date of listing】 on the 【full name of stock exchange】 to overseas investors who subscribed the shares in a foreign currency.

Note: Preference shares referred to in these Guidelines shall mean any other type of shares other than ordinary shares stipulated by the Company Law, and the holders of such shares rank above holders of ordinary shares in distribution of profit and residual assets, but have restricted rights for participation in the company's decision-making and management.

In the case of a company which does not issue (or propose to issue) preference shares or foreign-funded shares listed in China, it is not required to provide an explanation with respect to the contents in this Article pertaining to preference shares or foreign-funded shares listed in China. Same hereinafter.

Article 4 Registered name of the company: 【Chinese name in full】 【English name in full】

Article 5 Address of the company: **【full address of the company, postal code】** .

Article 6 The registered capital of the company is RMB **【amount of registered capital】** .

Note: In the event of change in the total amount of registered capital due to increase or reduction of registered capital by the company, upon passing of a resolution on increase or reduction of registered capital by a shareholders' general meeting, another resolution on amendment of the company's articles of association as a result thereto shall be passed, stating the mandate for the board of directors to handle registration change formalities for registered capital.

Article 7 The term of business of the company is **【number of years】** or **【the company is a permanent company limited by shares】** .

Article 8 The **【Chairman or Manager】** shall be the legal representative of the company.

Article 9 All assets of the company are divided into equal share, the liability of the shareholders towards the company is limited to their subscribed shares, and the liability of the company towards the company's debts is limited to all the company's assets.

Article 10 The company's articles of association shall, with effect from the date on which it takes effect, be the legally binding document which standardises the company's organisation and acts as well as the rights and obligations between the company and its shareholders and the rights and obligations between shareholders, and shall be legally binding upon the company and its shareholders, directors, supervisors and senior management personnel. Pursuant to these Guidelines, a shareholder may file a lawsuit against another shareholder, against the company's directors, supervisors, managers and other senior management personnel, or against the company, and the company may file a lawsuit against a shareholder, a director, a supervisor, a manager and any other senior management personnel.

Article 11 Any other senior management personnel referred to in these Guidelines shall mean the company's deputy manager, the Board secretary, and the person-in-charge of finance department.

Note: The company may, based on actual conditions, specify in its articles of association the persons who are classified as senior management personnel.

Chapter 2 BUSINESS PURPOSES AND SCOPE OF BUSINESS

Article 12 The business purposes of the company are: **【description of objectives】**

Article 13 Upon registration pursuant to the law, the scope of business of the company is: **【description of scope of business】**

Note: Projects within the company's scope of business which require approval pursuant to the provisions of laws, administrative regulations shall undergo approval formalities pursuant to the law.

Chapter 3 SHARES

Section 1 Issuance of Shares

Article 14 The shares of the company shall take the form of stock.

Article 15 Issuance of shares by the company shall adhere to the principles of transparency, fairness and equitableness, and each share in the same category shall carry the same rights.

Listed companies with special voting rights shares shall specify the following items in their articles of association: holder qualification of special voting rights shares, ratio arrangement between votes of special voting rights shares and ordinary shares, scope of items that holders of special voting rights shares can vote on, lock-in arrangement and transfer limitation on special voting rights shares, and the transfer between special voting rights shares and ordinary shares. Provisions regarding the above items of a company's articles of association shall meet all relevant provisions of exchanges.

For the same type of shares issued in one offering, the issue criteria and price shall be identical; any organisation or individual subscribing to the shares shall pay the same price for each share.

Note: A company issuing preference shares shall specify the following matters in its articles of association:

(1) The dividend rate for preference shares shall adopt fixed dividend rate or floating dividend rate, and the formula for computation of fixed dividend rate or floating dividend rate shall be specified accordingly;

(2) Whether the company is required to distribute profits when there are distributable profits after tax;

(3) If the company has inadequate distributable profits in the current accounting year and does not distribute the full amount of dividends to holders of preference shares, whether the shortfall can be carried forward to the next accounting year cumulatively;

(4) Upon distribution of dividends to holders of preference shares pursuant to the agreed dividend rate, whether the holders of preference shares have the right to participate in distribution of the remaining profits together with holders of ordinary shares, and the percentage and criteria etc for participation in distribution of remaining profits;

(5) Any other matters relating to participation in distribution of the company's profits by holders of preference shares;

(6) Except for profit distribution and distribution of residual assets, whether there are different settings on other clauses for preference shares;

(7) Upon resumption of voting rights of preference shares, the formula for computation of voting rights for which each preference share is entitled to.

In the case of public offering of preference shares, the company's articles of association shall specify:

(1) Adoption of fixed dividend rate;

(2) Where there are distributable profit after tax, the company must distribute dividends to holders of preference shares;

(3) Where the full amount of dividends are not distributed to holders of preference shares, the shortfall shall be carried forward to the next accounting year;

(4) Upon distribution of dividends to holders of preference shares pursuant to the agreed dividend rate, holders of preference shares shall not participate in distribution of remaining profits together with holders of ordinary shares.

Where a commercial bank issues preference shares for capital supplementation, the articles of association shall provide otherwise on matters stipulated in item (2) and item (3).

Article 16 The par value of shares issued by the company shall be Renminbi-denominated.

Article 17 Shares issued by the company shall be placed under centralised custody with the 【name of securities registrar】 .

Article 18 The promoters of the company are 【name of each promoter】 , subscribing to 【number of shares】 respectively, and their capital contribution method and date are 【specific method and date】 .

Note: for companies established for one year or longer and their promoters of which have transferred their shares, the number of shares held by the promoters is not required to be stated.

Article 19 The total number of shares of the company is 【number of shares】 , the share capital structure of the company is: 【number】 of ordinary shares and [number] of other types of shares.

Note: A company which issues preference shares or any other type of shares shall state so.

Article 20 The company or its subsidiaries (including its affiliates) shall not provide any form of financial assistance in the form of gift, advance, guarantee, compensation, loan etc to persons who purchase or propose to purchase the company's shares.

Section 2 Increase and Decrease in Shares and Buyback

Article 21 The company may, upon resolution by a shareholders' general meeting, adopt the following methods to increase its capital in accordance with its business and development needs and pursuant to the provisions of laws and regulations:

- (1) Public offering of shares;
- (2) Private offering of shares;
- (3) Distribution of bonus shares to existing shareholders;
- (4) Converting reserves to additional capital; or
- (5) Any other methods stipulated by laws and administrative regulations and approved by the CSRC.

Note: A company which issues preference shares shall provide on the following matters pertaining to issuance of preference shares in its articles of association: the preference shares issued by the company shall not exceed 50% of the total number of ordinary shares of the company, and the amount of funds raised shall not exceed 50% of the net assets prior to the issuance, redeemed or converted preference shares shall not be included for computation purpose.

The company shall not issue preference shares which can be converted to ordinary shares. However, a commercial bank may, pursuant to the regulatory provisions on capital of commercial banks, make private offering of preference shares which will be mandatorily converted to ordinary shares upon occurrence of a trigger event, and comply with the relevant provisions.

A company which issues convertible corporate bonds shall also provide specific provisions on issuance of convertible corporate bonds, conversion procedures and arrangements, change in the company's share capital as a result of the conversion etc in its articles of association.

Article 22 A company may reduce its registered capital. A company shall handle reduction of registered capital pursuant to the Company Law and other relevant provisions and the procedures stipulated in these Guidelines.

Article 23 The company shall not buy back its shares except under the following circumstances:

- (1) Reduction of registered capital;
- (2) Merger with another company that holds its shares;
- (3) Use shares in employee shareholding plans or equity incentives;
- (4) A shareholder who objects to the resolution on the company's merger or division passed by the shareholders' general meeting requests that the company buy back his/her shares.
- (5) Use shares in converting convertible corporate bonds issued by the listed company;
- (6) Where the listed company deems necessary in order to maintain company's value and shareholders' rights and interests.

Except for the aforesaid circumstances, the company shall not buy back its shares.

Note: A company which issues preference shares shall also provide specific provisions in its articles of association in regard to whether the option for buyback of preference shares shall be exercised by the issuer or the shareholder, the criteria, price and ratio of the buyback etc. Where the issuer requests for buyback of preference shares pursuant to the provisions of the articles of association, it shall make full payment of dividends in arrears, except for issuance of preference shares by a commercial bank for capital supplementation.

Article 24 Buyback of shares by a company may be carried out via centralized public trading or other methods recognized by laws and regulations and the CSRC.

Where the buyback of shares fall under the circumstances stipulated in item (3), (5) and (6) of Article 23, the share buyback shall be carried out via centralized public trading.

Article 25 A resolution passed by a shareholders' general meeting shall be required for share buyback by a company that fall under the circumstances stipulated in item (1) and (2) of Article 23; where the buyback of shares fall under the circumstances stipulated in item (3), (5) and (6) of Article 23, the company may follow the prescriptions of Guidelines on Articles of Association of Listed Companies or the mandate of the shareholders' general meeting, and follow decisions of the board meeting where more than 2/3 of directors are present.

Where a share buyback by a company pursuant to the provisions of Article 23 falls under the circumstances set out in item (1), the shares shall be canceled within 10 days from the date of buyback; where the share buyback falls under the circumstances set out in item (2) or item (4), the shares shall be canceled or transferred within 6 months; where the share buyback falls under the circumstances set out in item (3), (5) or (6), the company shall not hold more than 10% of the total number of its issued shares, and shall transfer or cancel within 3 years.

Note: Upon buyback of preference shares by the company pursuant to the provisions of this Article, the shares acquired in the buyback shall be written off from the total number of issued preference shares.

Section 3 Transfer of Shares

Article 26 The shares of a company may be transferred pursuant to the law.

Article 27 The company shall not accept its shares as subject matter of pledge.

Article 28 The company shares held by a promoter shall not be transferred within one year from the date of establishment of the company. Shares issued prior to the public offering by the company shall not be transferred within one year from listing of the company's shares on the stock exchange.

The directors, supervisors and senior management personnel of the company shall declare to the company their holding of shares (including preference shares) in the company and the changes thereof, the shares transferred each year during their tenure shall not exceed 25% of the total number of the same type of shares of the company held by them; the company shares held by them shall not be transferred within one year from listing of the company's shares. The aforesaid persons shall not transfer the company shares held by them within half year from their resignation.

Note: Where the company's articles of association includes other restrictive provisions on transfer of company shares (including preference shares) held by the company's directors, supervisors and senior management personnel, an explanation shall be provided.

Article 29 Where the directors, supervisors, senior management personnel of the company or shareholders who hold 5% or more of the company's shares sell the company shares held by them within six months from the date of purchase or repurchase the company shares sold by them within six months from the date of sale, the proceeds thereof shall belong to the company, and the board of directors of the company shall call back such proceeds. However, in the case of a securities company which holds 5% or more of the company's shares due to purchase of remaining shares under an underwriting scheme, sale of such shares shall not be subject to the six-month restriction.

Where the board of directors does not act pursuant to the provisions of the preceding paragraph, the shareholder shall have the right to require the board of directors to do so within 30 days. Where the board of directors does not do so within the aforesaid period, the shareholder shall have the right to file a lawsuit with a People's Court in his/her/its name for the interests of the company.

Where the board of directors does not act pursuant to the provisions of the first paragraph, the directors who are accountable shall bear joint and several liability pursuant to the law.

Chapter 4 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

Section 1 Shareholders

Article 30 The company shall maintain a register of shareholders based on the proof materials provided by the shares registrar. The register of shareholders is adequate evidence of shareholding by shareholders. A shareholder shall enjoy the rights accorded by the type of shares he/she holds and bears the obligations thereof; shareholders who hold the same type of shares shall enjoy the same rights and bear the same type of obligations.

Note: The company shall enter into a share custody agreement with the share registrar, and conduct regular checks of the information of key shareholders and changes in shareholdings of key shareholders (including pledge of share rights) for a timely understanding of the company's equity structure.

Article 31 Where a company needs to confirm the identity of shareholders for convening of a shareholders' general meeting, distribution of dividends, liquidation etc, the board of directors or the convenor of the shareholders' general meeting shall determine the date of record, and shareholders registered in the register after market closing on the date of record shall be shareholders who enjoy the relevant rights and interests.

Article 32 The shareholders of a company shall enjoy the following rights:

- (1) Obtain dividends and any other form of distribution of gains based on the number of shares held by them;
- (2) Requisition, convene, chair, attend or appoint a proxy to attend a shareholders' general meeting pursuant to the law, and exercise the corresponding voting rights;

- (3) Supervise the company's business operations, propose recommendations or raise questions;
- (4) Transfer, gift or pledge shares held by them pursuant to the provisions of laws, administrative regulations and these Guidelines;
- (5) Inspect articles of association, register of shareholders, counterfoils of corporate bonds, minutes of shareholders' general meeting, resolutions of board meeting, minutes of meetings of board of supervisors and financial accounting reports;
- (6) Upon termination or liquidation of the company, distribute residual assets based on their shareholding;
- (7) A shareholder who objects to the resolution on merger or division of the company passed by a shareholders' general meeting may request that the company acquire his/her/its shares; and
- (8) Any other rights stipulated by laws, administrative regulations, ministry rules or these Guidelines.

Note: A company which issues preference shares shall specify in its articles of association that holders of preference shares shall not attend shareholders' general meetings, and their shares do not have voting rights except for the following circumstances:

- (1) Amendment of the contents in the company's articles of association in relation to preference shares;
- (2) Reduction of the company's registered capital which exceed 10% in a one-off manner or cumulatively;
- (3) Merger, division, dissolution or change of company form;
- (4) Issuance of preference shares; or
- (5) Any other circumstances stipulated in the company's articles of association.

A company which issues preference shares shall also specify in its articles of association that: where the company does not pay dividends to holders of preference shares for three accounting years cumulatively or two consecutive accounting years pursuant to the agreement, holders of preference shares shall have the right to attend shareholders' general meetings, and each preference share shall be entitled to voting rights stipulated in the company's articles of association. In the case of preference shares for which dividends may be carried forward to the next accounting year, the voting rights shall be resumed until the company makes full payment of the dividends in arrears. In the case of preference shares for which dividends are not cumulative, the voting rights shall be resumed until the company makes full payment of the dividends for the current year. The company's articles of association may stipulate any other circumstances for resumption of voting rights of preference shares.

Article 33 A shareholder who requests for inspection of the relevant information or materials set out in the preceding Article shall provide written documentation to the company to prove the type and quantity of the company's shares held by him/her/it, and the company shall provide the information or materials requested by the shareholder upon verification of his/her/its identity.

Article 34 Where the contents of a resolution of shareholders' general meeting or a board resolution violates laws and administrative regulations, a shareholder shall have the right to apply to a People's Court to declare the resolution invalid.

Where the convening procedures or voting method of a shareholders' general meeting or a board meeting violates laws, administrative regulations or these Guidelines, or the contents of a resolution violates these Guidelines, a shareholder shall have the right to apply to a People's Court for revocation within 60 days from passing of the resolution.

Article 35 Where the directors or senior management personnel violate the provisions of laws, administrative regulations or these Guidelines in the execution of their duties and cause the company to suffer losses, a shareholder who holds 1% or more of the company's shares singly or jointly for more than 180 days consecutively shall have the right to submit a written request to the board of supervisors to file a lawsuit with a People's Court; where the board of supervisors violates the provisions of laws, administrative regulations or these Guidelines in the execution of their duties and cause the company to suffer losses, a shareholder may submit a written request to the board of directors to file a lawsuit with a People's Court.

Upon receipt of a shareholder's written request stipulated in the preceding paragraph, where the board of supervisors or the board of directors refuses to file a lawsuit or does not file a lawsuit within 30 days from receipt of the request, or in the event of an emergency where the interest of the company will suffer irreparable damages if a lawsuit is not filed immediately, a shareholder stipulated in the preceding paragraph shall have the right to file a lawsuit directly with a People's Court in his/her/its own name for the interest of the company.

In the event that the legitimate rights and interests of the company are infringed by others and the company suffers losses thereto, a shareholder stipulated in the first paragraph of this Article may file a lawsuit with a People's Court pursuant to the provisions of the two preceding paragraphs.

Article 36 Where the directors or senior management personnel violate the provisions of laws, administrative regulations or these Guidelines and harm the interests of shareholders, a shareholder may file a lawsuit with a People's Court.

Article 37 A shareholder of the company shall bear the following obligations:

- (1) Comply with laws, administrative regulations and these Guidelines;
- (2) Make payment for shares subscribed pursuant to the equity participation method;
- (3) Shall not divest, except for circumstances stipulated by laws and regulations; and
- (4) Shall not abuse shareholder's rights to harm the interests of the company or other shareholders; shall not abuse the independence of corporate personality and shareholder's limited liability to harm the interests of the company's creditors; a shareholder who abuses shareholder's rights and causes the company or other shareholders to suffer losses shall be liable for compensation pursuant to the law.

A shareholder who abuses corporate personality and shareholder's limited liability to evade debts and harms the interests of the company's creditors shall bear joint and several liability towards the company's debts.

- (5) Any other obligations to borne as stipulated by laws, administrative regulations and these Guidelines.

Article 38 Where a shareholder who holds 5% or more of the company's shares with voting rights pledges his/her/its shares, he/she/it shall submit a written report to the company on the date of occurrence of the event.

Article 39 The controlling shareholder or actual controlling party of a company shall not make use of the relationship to harm the company's interests. Persons who violate the provisions and cause the company to suffer losses shall be liable for compensation.

The controlling shareholder and actual controlling party of the company shall bear fiduciary obligation towards the company and its public shareholders. The controlling shareholder shall exercise the rights of capital contributory strictly pursuant to the law, and shall not make use of profit distribution, asset restructuring, external investment, encroachment of funds, borrowings and guarantee etc to harm the

legitimate rights and interests of the company and its public shareholders, or make use of the controlling status to harm the interests of the company and its public shareholders.

Section 2 General Provisions on Shareholders' General Meetings

Article 40 A shareholders' general meeting shall be the power organ of the company and shall exercise the following official powers pursuant to the law:

- (1) Decide on the company's business policies and investment plans;
- (2) Elect and replace directors and supervisors who are not employee representatives, and decide on remuneration of the relevant directors and supervisors;
- (3) Deliberate and approve reports of the board of directors;
- (4) Deliberate and approve reports of the board of supervisors;
- (5) Deliberate and approve the company's annual financial budget and final accounts;
- (6) Deliberate and approve the company's profit distribution plan and plan for making up of losses;
- (7) Resolve on increase or reduction of registered capital;
- (8) Resolve on issuance of corporate bonds;
- (9) Resolve on merger, division, dissolution, liquidation or change of company form;
- (10) Amend articles of association;
- (11) Resolve on appointment or termination of accounting firm;
- (12) Deliberate and approve guarantee matters stipulated in Article 41;
- (13) Deliberate on purchase and sale of significant assets within a year which exceeds 30% of the company's audited total assets of the latest period;
- (14) Deliberate and approve change in application of funds raised;
- (15) Deliberate on share option incentive plan; and
- (16) Deliberate on any other matters to be decided by a shareholders' general meeting as stipulated by laws, administrative regulations, ministry rules or these Guidelines.

Note: The aforesaid official powers of a shareholders' general meeting shall not be delegated to the board of directors or any other organisation and individual.

Article 41 The following external guarantee by a company shall be subject to deliberation and approval by a shareholders' general meeting.

- (1) Any guarantee provided by the company after the total amount of external guarantee by the company and its holding subsidiaries has attained or exceeded 50% of its audited net assets for the latest period;
- (2) Any guarantee provided by the company after the total amount of external guarantee by the company has attained or exceeded 30% of its audited total assets for the latest period;

- (3) Guarantee provided for a guarantee object whose asset liability ratio exceeds 70%;
- (4) A single guarantee amount which exceeds 10% of its audited net assets for the latest period; and
- (5) Guarantee provided to shareholders, the actual controlling party and their affiliates.

Article 42 Shareholders' general meetings shall comprise annual general meetings and extraordinary general meetings.

Annual general meetings shall be convened once a year and shall be held within six months from the end of the preceding accounting year.

Article 43 Under any of the following circumstances, the company shall convene an extraordinary general meeting within two months from occurrence of the event:

- (1) The number of directors falls below two-thirds of the number stipulated in the Company Law or these Guidelines;
- (2) The company's losses which have not been made up attain one-third of the total paid-up capital;
- (3) Upon requisition by a shareholder who holds 10% or more of the company's shares singly or jointly;
- (4) The board of directors deems necessary;
- (5) Upon requisition by the board of supervisors; or
- (6) Any other circumstances stipulated by laws, administrative regulations, ministry rules or these Guidelines.

Note: The company shall determine in its articles of association the number of directors set out in item (1) of this Article.

For the purpose of computation of shareholding percentage referred to in item (3) of this Article, only ordinary shares and preference shares with resumed voting rights shall be included.

Article 44 The venue of shareholders' general meetings of the company shall be: **【specific address】**. Meeting premises shall be set up for a shareholders' general meeting to be held in the form of a physical meeting. The company shall also provide online voting method to facilitate participation in shareholders' general meetings by shareholders. Shareholders participating in the shareholders' general meeting via the aforesaid method shall be deemed present at the meeting.

Note: The company's articles of association may stipulate that the venue for a shareholders' general meeting shall be the company's address or any other specific venue. Time and venue of the physical meeting shall facilitate participation of shareholders. The venue of the physical meeting shall not change without a reasonable cause once the meeting notice is sent. Where the venue has to change, the convener shall make an announcement and explain reasons at least 2 working days before the physical meeting.

Article 45 When convening a shareholders' general meeting, the company shall engage a lawyer to issue legal opinions on the following issues and make an announcement:

- (1) Whether the convening procedures and conduct of the meeting comply with the provisions of laws, administrative regulations and these Guidelines;

(2) Whether the qualifications of the persons attending the meeting and the convenor are legitimate and valid;

(3) Whether the voting procedures and voting results of the meeting are legitimate and valid; and

(4) Legal opinions with respect to other relevant issues as required by the company.

Section 3 Convening of Shareholders' General Meetings

Article 46 Independent directors shall have the right to propose to the board of directors on convening of an extraordinary general meeting. Where an independent director calls an extraordinary general meeting, the board of directors shall issue a written feedback on consent or non-consent to convening of the extraordinary general meeting within 10 days from receipt of the call, pursuant to the provisions of laws, administrative regulations and these Guidelines. Where the board of directors gives consent to convening of an extraordinary general meeting, a notice on convening of the extraordinary general meeting shall be issued within five days from passing of a board resolution; where the board of directors does not give consent to convening of an extraordinary general meeting, it shall state the reason and make an announcement.

Article 47 The board of supervisors shall have the right to propose to the board of directors on convening of an extraordinary general meeting, and shall do so in writing. The board of directors shall issue a written feedback on consent or non-consent to convening of an extraordinary general meeting within 10 days from receipt of the requisition pursuant to the provisions of laws, administrative regulations and these Guidelines.

Where the board of directors gives consent to convening of an extraordinary general meeting, a notice on convening of the extraordinary general meeting shall be issued within five days from passing of the board resolution; the consent of the board of supervisors shall be obtained for any change to the original requisition in the notice.

Where the board of directors does not give consent to convening of an extraordinary general meeting, or does not issue a written feedback within 10 days from receipt of the requisition, the board of directors shall be deemed as unable to perform or failed to perform the duties of convening of an shareholders' general meeting, and the board of supervisors may proceed to convene and chair an extraordinary general meeting.

Article 48 Holders of ordinary shares who hold 10% or more of the company's shares singly or in aggregate (including holders of preference shares with resumed voting rights) shall have the right to propose to the board of directors on convening of an extraordinary general meeting, and shall do so in writing. The board of directors shall issue a written feedback on consent or non-consent to convening of the extraordinary general meeting within 10 days from receipt of the requisition pursuant to the provisions of laws, administrative regulations and these Guidelines.

Where the board of directors gives consent to convening of an extraordinary general meeting, a notice on convening of the extraordinary general meeting shall be issued within five days from passing of board resolution, and the consent of the relevant shareholders shall be obtained for any change to the original requisition in the notice.

Where the board of directors does not give consent to convening of extraordinary general meeting, or does not issue a feedback within 10 days from receipt of the requisition, holders of ordinary shares who hold 10% or more of the company's shares singly or in aggregate (including holders of preference shares with resumed voting rights) shall have the right to propose to the board of supervisors on convening of an extraordinary general meeting, and shall do so in writing.

Where the board of supervisors gives consent to convening of an extraordinary general meeting, a notice on convening of the extraordinary general meeting shall be issued within five days from receipt of the

requisition, and the consent of the relevant shareholders shall be obtained for any change to the original requisition in the notice.

Where the board of supervisors does not issue a notice of a general meeting within the stipulated period, the board of supervisors shall be deemed as not convening and chairing the extraordinary general meeting, and holders of ordinary shares who hold 10% or more of the company's shares singly or in aggregate for 90 or more consecutive days (including holders of preference shares with resumed voting rights) may proceed to convene and chair an extraordinary general meeting on their own initiative.

Note: For the purpose of computation of shareholding percentage referred to in this Article, only ordinary shares and preference shares with resumed voting rights shall be included.

Article 49 Where the board of supervisors or the shareholders proceed(s) to convene a general meeting, the board of directors shall be notified in writing, and records shall be filed with the CSRC branch at the location of the company and the stock exchange.

Prior to announcement of resolutions passed by the general meeting, the shareholding percentage of the holders of ordinary shares who convene the meeting (including holders of preference shares with resumed voting rights) shall not be less than 10%.

The shareholders who call the meeting shall submit the relevant proof materials to the CSRC branch at the location of the company and the stock exchange at the time of issuance of notice of the general meeting and announcement of resolutions passed by the general meeting.

Note: For the purpose of computation of shareholding percentage referred to in this Article, only ordinary shares and preference shares with resumed voting rights shall be included.

Article 50 Where the board of supervisors or the shareholders proceed(s) to convene a general meeting, the board of directors and the board secretary shall cooperate. The board of directors shall provide the register of shareholders as at the date of share record.

Article 51 Where the board of supervisors or the shareholders proceed(s) to convene a general meeting, the expenses incurred thereof shall be borne by the company.

Section 4 Motions and Notices of Shareholders' General Meeting

Article 52 The contents of motions shall fall within the terms of reference of a shareholders' general meeting, contain specific agenda items and specific resolution matters, and comply with the relevant provisions of laws, administrative regulations and these Guidelines.

Article 53 When the company convenes a shareholders' general meeting, the board of directors and the board of supervisors, as well as shareholders who hold 3% or more of the company's shares singly or in aggregate, shall have the right to propose motions.

Holders of ordinary shares who hold 3% or more of the company's shares singly or in aggregate (including holders of preference shares with resumed voting rights) may propose provisional motions 10 days before convening of a shareholders' general meeting and submit them in writing to the convenor. The convenor shall issue a supplementary notice of the general meeting within two days upon receipt of the proposal, and announce the contents of the provisional motions.

Except for circumstances stipulated in the preceding paragraph, upon announcement of the notice of shareholders' general meeting, the convenor shall not amend the motions set out in the notice of shareholders' general meeting or insert new motions.

Where the notice of shareholders' general meeting does not set out the motions stipulated in Article 52 or the motions in the notice of shareholders' general meeting do not comply with the provisions of Article 52, the shareholders' general meeting shall not vote on the motion and pass resolution.

Note: For the purpose of computation of shareholding percentage referred to in this Article, only ordinary shares and preference shares with resumed voting rights shall be included.

Article 54 The convenor shall notify all holders of ordinary shares (including holders of preference shares with resumed voting rights) via an announcement 20 days before convening of an annual general meeting, and notify all holders of ordinary shares (including holders of preference shares with resumed voting rights) via an announcement 15 days before convening of an extraordinary general meeting.

Note: The period shall exclude the date on which the meeting is convened.

The company may, based on the actual circumstances, decide whether to stipulate the public notice procedures in its articles of association.

Article 55 The notice of a shareholders' general meeting shall include the following contents:

- (1) The time and venue of the meeting and the duration of the meeting;
- (2) The matters and motions to be tabled at the meeting for deliberation;
- (3) State clearly that: all holders of ordinary shares (including holders of preference shares with resumed voting rights) shall have the right to attend the shareholders' general meeting, and may appoint in writing a proxy to attend the meeting and participate in voting, and the proxy need not be a company shareholder;
- (4) The date of record to determine shareholders who have the right to attend the shareholders' general meeting;
- (5) The name and telephone number of the permanent contact person for meetings.

Note:

1. The notice and supplementary notice of a shareholders' general meeting shall disclose the specific contents of all motions fully and completely. For matters which require the independent directors to issue an opinion, the notice or supplementary notice of the shareholders' general meeting shall disclose the opinions of the independent directors and the reason thereof.

2. Where the shareholders' general meeting of a company adopts online or other method, the voting time and procedures for such online or other method shall be stated in the notice of the shareholders' general meeting. Online or other voting method for a shareholders' general meeting shall not commence earlier than 3:00pm on the day preceding the date of the physical shareholders' general meeting or later than 9:30am on the date of the physical shareholders' general meeting, and shall not end before 3:00pm of the date of the physical shareholders' general meeting.

3. The interval between the date of share record and the date of meeting shall be not more than seven working days. Once determined, the date of share record shall not be changed.

Article 56 Where a shareholders' general meeting proposes to discuss election matters of directors and supervisors, the notice of the shareholders' general meeting shall fully disclose the detailed information of the proposed candidates for directors and supervisors, and shall at least include the following contents:

- (1) Personal information such as education background, work experience and part-time job;

(2) Whether he/she is related to the company or the company's controlling shareholder or actual controlling party;

(3) Disclosure of the number of shares held by him/her in the listed company; and

(4) Whether the candidate has been punished by the CSRC, other relevant authorities and the stock exchange.

In addition to adoption of the cumulative voting system for election of directors and supervisors, single motion shall be proposed for election of each director and supervisor.

Article 57 Upon issuance of the notice of a shareholders' general meeting, the shareholders' general meeting shall not be postponed or cancelled without a proper reason, and the motions set out in the notice of the shareholders' general meeting shall not be cancelled. In the event of postponement or cancellation, the convenor shall make an announcement at least two working days before the original date of meeting and state the reason thereof.

Section 5 Conduct of Shareholders' General Meetings

Article 58 The board of directors and other convenors shall adopt the requisite measures to ensure normal order of a shareholders' general meeting. Measures shall be adopted to stop any disruption of the shareholders' general meeting or trouble-making and infringement of the legitimate rights and interests of shareholders, and the matter shall be promptly reported to the relevant authorities for investigation and punishment.

Article 59 All holders of ordinary shares (including holders of preference shares with resumed voting rights) in the register as at the date of share record or their proxies shall have the right to attend a shareholders' general meeting, and exercise voting rights pursuant to the relevant laws, regulations and these Guidelines.

A shareholder may attend the shareholders' general meeting and exercise his/her/its voting rights personally, or appoint a proxy to attend the meeting and exercise his/her/its voting rights on behalf within the scope of authorisation.

Article 60 Where an individual shareholder attends the meeting personally, he/she shall present his/her identity document or any other valid credential or share account card which can prove his/her identity; where a shareholder appoints a proxy to attend the meeting, the proxy shall present his/her valid identity document and the proxy form executed by the shareholder.

In the case of a corporate shareholder, its legal representative or the proxy appointed by the legal representative shall attend the meeting. Where the legal representative attends the meeting, he/she shall present his/her identity document and valid documentation to prove that he/she is the legal representative; where a proxy is appointed to attend the meeting, the proxy shall present his/her identity card and the proxy form issued by the legal representative of the corporate shareholder pursuant to the law.

Article 61 A proxy form issued by a shareholder for a shareholders' general meeting shall state the following contents:

(1) Name of the proxy;

(2) Whether the shareholder has voting rights;

(3) The instructions on voting for, against or abstention of voting for each agenda item of the shareholders' general meeting;

(4) Date of issuance of the proxy form and the validity period; and

(5) Signature (or affixation of seal) by the entrusting party. Where the entrusting party is a corporate shareholder, the seal of the corporate shareholder shall be affixed.

Article 62 A proxy form shall state whether the proxy can vote where the shareholder does not give specific instruction.

Article 63 Where a proxy form for a voting proxy is signed by a person authorised by the entrusting party, the proxy form or any other authorisation document shall be notarised. The notarised proxy form or any other authorisation document and the proxy form for a voting proxy shall be kept at the company's premises or any other premises designated in the notice of meeting.

Where the entrusting party is a legal person, its legal representative or board of directors or the person authorised by any other decision-making organ shall represent the legal person to attend the shareholders' general meeting.

Article 64 The sign-in records for persons attending the meeting shall be prepared by the company.

The sign-in records shall state the name of the persons (or organisations) attending the meeting, identity document number, address, the number of shares with voting rights held or represented, the name of the person (or organisation) being represented etc.

Article 65 The convenor and the lawyer engaged by the company shall jointly verify the legitimacy of shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing organisation, and register the name of shareholders and the number of shares with voting rights held by them. Registration for the meeting shall end before the chairman of the meeting announces the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held by them.

Article 66 When the company convenes a shareholders' general meeting, all directors, supervisors and the board secretary shall be present at the meeting, and managers and other senior management personnel shall be in attendance at the meeting.

Article 67 The Chairman of the Board shall chair the shareholders' general meetings. Where the Chairman is unable to perform his/her duties or does not perform his/her duties, the deputy Chairman (where there are two or more deputy Chairmen, the deputy Chairman nominated by more than half of the directors) shall chair the meetings; where the deputy Chairman is unable to perform his/her duties or does not perform his/her duties, a director nominated by more than half of the directors shall chair the meetings.

The Chairman of the board of supervisors shall chair a shareholders' general meeting convened by the board of supervisors. Where the Chairman of the board of supervisors is unable to perform his/her duties or does not perform his/her duties, the deputy Chairman of the board of supervisors shall chair the meeting; where the deputy Chairman of the board of supervisors is unable to perform his/her duties or does not perform his/her duties, a supervisor nominated by more than half of the supervisors shall chair the meeting.

In the case of a shareholders' general meeting convened by shareholders, the convenor shall appoint a representative to chair the meeting.

Where the chairman of the meeting violates the rules of procedure and as a result thereof, the shareholders' general meeting is unable to continue, upon consent of the shareholders holding more than half of voting rights and present at the shareholders' general meeting, the shareholders' general meeting may elect a person to chair the meeting so that the meeting may continue.

Article 68 A company shall formulate the rules of procedure for its shareholders' general meetings, set out the convening and voting procedures of shareholders' general meetings, including the notice, registration, deliberation of motions, voting, computation of votes, announcement of voting results, formation of meeting resolutions, minutes and the signing thereof and announcement, as well as the principle for mandates granted by shareholders' general meetings, and the contents of a mandate shall be clear and specific. The rules of procedure for shareholders' general meetings shall be an appendix of the articles of association, drafted by the board of directors and approved by a shareholders' general meeting.

Article 69 At an annual general meeting, the board of directors and the board of supervisors shall report to the shareholders' general meeting on the work done in the past year, and each independent director shall give his/her work report.

Article 70 The directors, supervisors and senior management personnel shall provide explanations for questions raised by shareholders at a shareholders' general meeting.

Article 71 Prior to voting, the chairman of the meeting shall announce the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held by them, and the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held by them shall be based on the registration for the meeting.

Article 72 The board secretary shall be responsible for recording of the minutes of the shareholders' general meetings

The minutes of meeting shall state the following contents:

- (1) Time, venue, agenda of meeting and name of convenor(s);
- (2) Name of the chairman of meeting and directors, supervisors, board secretary, managers and other senior management personnel present or in attendance at the meeting;
- (3) The number of shareholders and proxies present at the meeting, the total number of shares held by them and the respective shareholding percentage with respect to the company's total number of shares;
- (4) Deliberation process, key points of speech and voting result for each motion;
- (5) Questions and suggestions raised by shareholders and the corresponding replies and explanations;
- (6) Names of lawyer, counting agent(s) and scrutineer(s); and
- (7) Any other contents to be included in the minutes as stipulated by these Guidelines.

Note: For a company which issues Chinese-funded shares and foreign-funded shares listed in China, the contents of the minutes shall also include: (1) The number of shares with voting rights held by shareholders of Chinese-funded shares attending a shareholders' general meeting (including their proxy) and shareholders of foreign-funded shares listed in China (including their proxy), and the respective shareholding percentage against the total number of shares of the company; and (2) When the voting results are recorded, the votes of shareholders of Chinese-funded shares and shareholders of foreign-funded shares listed in China for each resolution shall be recorded.

In the case of a company which has not completed split share reform, the minutes shall also include: (1) The number of shares with voting rights held by shareholders of circulating shares who are present at the shareholders' general meeting (including their proxy) and shareholders of non-circulating shares who are present at the shareholders' general meeting (including their proxy), and the respective percentage against the total number of shares of the company; and (2) When the voting results are recorded, the votes

for each resolution by the shareholders of circulating shares and shareholders of non-circulating shareholders shall also be recorded.

The company shall, based on the actual circumstances, stipulate in its articles of association any other contents required to be recorded in the minutes of shareholders' general meetings.

Article 73 The convenor(s) shall ensure the veracity, accuracy and integrity of the contents of the minutes. The directors, board secretary, the convenor(s) or their representatives present at the meeting and the chairman of the meeting shall sign on the minutes, and ensure the veracity, accuracy and integrity of the contents of the minutes. The minutes shall be kept together with the sign-in records of the shareholders present at the meeting, the power of attorney of each proxy and other valid materials for online and other voting methods; the minutes and such materials shall be kept for not less than 10 years.

Note: The company shall, based on the actual circumstances, stipulate in its articles of association the period for retention of minutes of shareholders' general meetings.

Article 74 The convenor shall ensure that the shareholders' general meeting is held continuously until the final resolution is passed. In the event that a shareholders' general meeting is suspended or unable to pass resolutions under special circumstances such as force majeure, the requisite measures shall be adopted to resume the shareholders' general meeting as soon as possible or to terminate the shareholders' general meeting, and an announcement shall be promptly made. At the same time, the convenor shall report to the CSRC branch at the location of the company and the stock exchange.

Section 6 Voting and Resolutions at Shareholders' General Meetings

Article 75 Resolutions of a shareholders' general meeting shall comprise ordinary resolutions and special resolutions.

An ordinary resolution of a shareholders' general meeting shall be passed by a simple majority of voting rights of shareholders who are present at the shareholders' general meeting (including their proxy).

A special resolution of a shareholders' general meeting shall be passed by two-thirds or more of the voting rights of shareholders who are present at the shareholders' general meeting (including their proxy).

Article 76 The following matters shall be passed as ordinary resolutions of a shareholders' general meeting:

- (1) Work reports of the board of directors and the board of supervisors;
- (2) Profit distribution plan and plan for making up of losses drafted by the board of directors;
- (3) Appointment and removal of members of the board of directors and the board of supervisors and their remuneration and payment method;
- (4) The company's annual budget and final accounts;
- (5) The company's annual report; and
- (6) Any other matters other than those required by laws, administrative regulations or these Guidelines to be passed as special resolutions.

Article 77 The following matters shall be passed as special resolutions of a shareholders' general meeting:

- (1) Increase or reduction of registered capital;

- (2) Merger, division, dissolution and liquidation of the company;
- (3) Amendments to articles of association;
- (4) Purchase or sale of significant assets within a year or guarantee which exceeds 30% of the company's audited total assets for the latest period;
- (5) Share option incentive plan; and
- (6) Any other matters stipulated by laws, administrative regulations or these Guidelines, or which have a significant impact on the company if to be passed by an ordinary resolution of a shareholders' general meeting and which are deemed necessary to be passed as a special resolution.

Note: To pass special resolutions for the following matters, a shareholders' general meeting shall require two-thirds or more of the voting rights of holders of ordinary shares (including holders of preference shares with resumed voting rights, including their proxy) present at the meeting, as well as two-thirds or more of the voting rights of holders of preference shares (excluding holders of preference shares with resumed voting rights, including their proxy) present at the meeting:

- (1) Amendments to the contents in the company's articles of association in relation to preference shares;
- (2) Reduction of registered capital which exceeds 10% in a one-off manner or cumulatively;
- (3) Merger, division, dissolution or change of company form;
- (4) Issuance of preference shares; and
- (5) Any other circumstances stipulated in the company's articles of association.

Article 78 Shareholders (including their proxy) shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall be accorded with one vote.

When a shareholders' general meeting deliberates on significant matters which have an impact on the interests of small and medium investors, the votes of small and medium investors shall be computed separately. The separate voting results shall be announced and disclosed promptly.

The shares in the company held by the company shall have no voting right, and shall not be included in the total number of shares with voting rights of shareholders present at the shareholders' general meeting.

The company's board of directors, independent directors and shareholders who satisfy the stipulated criteria may openly solicit voting rights of shareholders. In the case of solicitation of voting rights of shareholders, shareholders whose voting rights are solicited shall make full disclosure of information such as voting intent. Solicitation of voting rights of shareholders in the form of compensation or disguised compensation shall be prohibited. The company shall not set minimum shareholding percentage restricted for solicitation of voting rights.

Note: Where a company has issued other shares, it shall state whether such shares are entitled to voting rights. For resumption of voting rights of preference shares, the voting rights for which each preference share is entitled to shall be computed in accordance with the specific formula stipulated in the articles of association.

Article 79 When a shareholders' general meeting deliberates on matters pertaining to related party transactions, related shareholders shall abstain from voting, the shares with voting rights held by them shall not be included in the total number of valid votes; the announcement on resolutions of shareholders' general meeting shall make full disclosure of votes of non-related shareholders.

Note: The company shall, based on the specific circumstances, stipulate in its articles of association the abstention and voting procedures for related shareholders.

Article 80 A company shall, under the prerequisite of ensuring that its shareholders' general meetings are legitimate and valid, provide modern information technology means such as online voting platform through various methods and channels to provide convenience for shareholders participating in shareholders' general meetings.

Note: A company convening a shareholders' general meeting for issuance of preference shares shall provide online voting, and may provide convenience in any other forms recognised by the CSRC for shareholders participating in shareholders' general meetings.

Article 81 Except for special circumstances where the company is in a crisis, unless approved by a special resolution passed by a shareholders' general meeting, the company shall not enter into a contract with a person other than a director, the manager or any other senior management personnel for such person to take charge of the company's entire business or significant business.

Article 82 The list of candidates for directors and supervisors shall be tabled in the form of a motion at a shareholders' general meeting for voting.

When a shareholders' general meeting votes on election of directors and supervisors, the cumulative voting system may be implemented pursuant to the provisions of these Guidelines or the resolution of a shareholders' general meeting.

The cumulative voting system referred to in the preceding paragraph shall mean that when a shareholders' general meeting elects directors or supervisors, each share shall have voting rights which are the same as the number of directors or supervisors to be elected, and the voting rights held by a shareholder may be used together. The board of directors shall announce the curriculum vitae and basic information of candidates for directors and supervisors to the shareholders.

Note: The company shall stipulate in its articles of association the methods and procedures for nomination of directors and supervisors, and matters relating to cumulative voting system.

Article 83 In addition to the cumulative voting system, a shareholders' general meeting shall vote on the motions one-by-one. Where there are different motions for the same matter, voting shall be carried out in accordance with the sequence of the motions. Except where a shareholders' general meeting is suspended or cannot pass a resolution under special circumstances such as force majeure, the shareholders' general meeting shall not stay a motion or pass on voting for a motion.

Article 84 A shareholders' general meeting deliberating on a motion shall not amend the motion, otherwise the relevant amendment shall be deemed as a new motion, and shall not be voted at the shareholders' general meeting.

Article 85 The same voting rights may only be exercised on-site, online or via one of any other voting methods. In the event of repeated voting using the same voting rights, the first voting shall prevail.

Article 86 Voting at a shareholders' general meeting shall adopt the form of open ballot.

Article 87 Prior to voting on a motion, a shareholders' general meeting shall nominate two shareholder's representatives as counting agent and scrutineer. Where a shareholder is interested in the matter to be deliberated, he/she and his/her proxy shall not be appointed as counting agent or scrutineer.

When a shareholders' general meeting votes on a motion, the lawyer, shareholder's representatives and supervisor's representatives shall be jointly responsible for counting of votes and scrutineer duties, and announce the voting results on the spot; the voting results for resolutions shall be recorded in the minutes.

Company shareholders or their proxies voting online or via any other method shall have the right to check their voting results through the corresponding voting system.

Article 88 A physical shareholders' general meeting shall not end earlier than the online or any other method, and the chairman of the meeting shall announce the voting status and result for each motion on-site and announce in accordance with the voting result whether the motion is carried.

Prior to official announcement of the voting results, the relevant parties involved in the physical shareholders' general meeting, online and any other voting methods, such as the company, the counting agent(s), the scrutineer(s), key shareholders and Internet service provider, shall keep confidentiality of the voting status.

Article 89 Shareholders present at a shareholders' general meeting shall give one of the following opinions for a motion tabled for voting: consent, objection or abstention of voting. The securities registration and clearing organisation shall be the nominee holder of shares on the Shanghai-Hong Kong Stock Connect, except where declaration is made in accordance with the actual holder's intent.

Votes which are left blank, wrongly written or illegible or votes which are not cast shall be deemed as waiver of voting rights by the voter, and the voting results for his/her shares shall be classified as "abstention of voting".

Article 90 Where the chairman of the meeting has any doubt over the voting results, he/she may organise counting of votes; where the chairman of the meeting does not conduct counting of votes, a shareholder present at the meeting or his/her/its proxy who disagrees with the voting results announced by the chairman of the meeting shall have the right to request for counting of votes immediately after announcement of the voting results, and the chairman of the meeting shall forthwith organise counting of votes.

Article 91 Resolutions passed by a shareholders' general meeting shall be promptly announced, and the announcement shall state the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held by them and their respective shareholding percentage with respect to the company's total number of shares with voting rights, voting method(s), voting result of each motion and the details of all the resolutions passed.

Note: A company issuing foreign-funded shares listed in China shall compile statistics for attendance of meeting and voting by the shareholders of Chinese-funded shares and the shareholders of foreign-funded shares, and make an announcement thereof.

Article 92 Where a motion is not carried or the shareholders' general meeting has amended a resolution of the previous shareholders' general meeting, this shall be highlighted in the announcement on resolutions passed by the shareholders' general meeting.

Article 93 Where a shareholders' general meeting has resolved on election of the relevant directors and supervisors, the newly-elected directors and supervisors shall take office on date】 .

Note: The method for confirmation of the date on which a newly-elected director or supervisor takes office shall be specified in the company's articles of association.

Article 94 Where the motion for cash dividend, bonus shares or conversion of capital reserve to share capital is carried at a shareholders' general meeting, the company shall implement the specific plan within two months from conclusion of the shareholders' general meeting.

Chapter 5 BOARD OF DIRECTORS

Section 1 Directors

Article 95 The directors of a company shall be natural persons; the following persons shall not act as a company director:

- (1) A person without civil capacity or a person with limited capacity for civil conduct;
- (2) A person who was convicted for criminal offence for corruption, bribery, encroachment of property, misappropriation of assets or disruption of the order of socialist market economy and a five-year period has not elapsed since completion of execution of the judgment, or who has been stripped of his/her political rights as result of committing a criminal offence and a five-year period has not elapsed since completion of execution of the judgment;
- (3) A person who was a director or the plant manager or manager of a bankrupt and liquidated company or enterprise and who was personally accountable for the bankruptcy of the said company or enterprise, and a three-year period has not elapsed since completion of bankruptcy liquidation of the said company or enterprise;
- (4) A person who was the legal representative of a company or an enterprise whose business licence is revoked or which is ordered to be closed down due to violation of law, and who was personally accountable for the revocation of business licence or closure of the company or enterprise, and a three-year period has not elapsed since revocation of business licence of the said company or enterprise;
- (5) A person who has a relatively large amount of due and outstanding debt;
- (6) A person who is banned by the CSRC from the securities market and the ban period has not expired; or
- (7) Any other persons stipulated by laws, administrative regulations or ministry rules.

In the case of election or appointment of director which violates the provisions of this Article, the election or appointment shall be invalid. Where a director falls under the circumstances referred to in this Article during his/her tenure, the company shall terminate his/her appointment.

Article 96 Directors shall be elected or replaced at a shareholders' general meeting, and can be removed by shareholders' general meeting before the expiry of the tenure. Directors' tenure shall be 【 】 years, and upon expiry of the tenure, the director may be re-elected.

The tenure of a director shall be from the date of appointment to the expiry of tenure of the current board of directors. Where re-election is not promptly carried out upon expiry of the tenure of a director, prior to appointment of a new director, the original director shall continue to carry out director duties pursuant to the provisions of laws, administrative regulations, ministry rules and these Guidelines.

A manager or any other senior management may hold the position of director concurrently, however the aggregate number of directors who hold the position of manager or any other senior management position concurrently and directors who are employee representatives shall not exceed half of the total number of directors of the company.

Note: The articles of association of the company shall stipulate standardised and transparent procedures for appointment of directors. The board of directors may comprise employee representatives, the company's articles of association shall specify whether the board of directors may comprise employee representatives and specify the quota for employee representatives appointed as directors. Employee representatives who sit on the board of directors shall be elected by the employees through the employee representative congress or employee congress or any other democratic form, and appointed as directors directly.

Article 97 Directors shall comply with laws, administrative regulations and these Guidelines, and bear the following fiduciary obligations towards the company:

- (1) Shall not make use of official powers to accept bribes or other illegal income or encroach upon the company's assets;
- (2) Shall not misappropriate the company's funds;
- (3) Shall not deposit the company's assets or funds into an account opened in his/her own name or the name of another individual;
- (4) Shall not violate the provisions of these Guidelines in providing a loan to others using the company's funds or providing guarantee using the company's assets without the consent of a shareholders' general meeting or the board of directors;
- (5) Shall not enter into a contract or transaction with the company which violates the provisions of these Guidelines or without the consent of a shareholders' general meeting;
- (6) Shall not make use of official powers to seek business opportunities which rightfully belong to the company for himself/herself or others without the consent of a shareholders' general meeting, or engage in the same type of businesses as the company on his/her own or for others;
- (7) Shall not pocket commissions of transactions with the company;
- (8) Shall not disclose company secrets without authorisation;
- (9) Shall not make use of their relationships to compromise the interests of the company; and
- (10) Any other fiduciary obligations stipulated by laws, administrative regulations, ministry rules and these Guidelines.

Income derived by a director from violation of the provisions of this Article shall belong to the company; where the company suffer losses thereto, the director shall be liable for compensation.

Note: In addition to the aforesaid obligations, the company may, based on the specific circumstances, include additional requirements in its articles of association with respect to other obligations of the company's directors.

Article 98 Directors shall comply with laws, administrative regulations and these Guidelines, and shall bear the following diligence obligations towards the company:

- (1) Exercise the rights accorded by the company prudently, seriously and diligently to ensure that the commercial activities of the company comply with laws and administrative regulations of the State and the requirements of various economic policies of the State and the commercial activities shall not exceed the scope of business stipulated in the business licence;
- (2) Treat all shareholders equally;
- (3) Get a timely grasp of the status of the company's business and management;
- (4) Issue a written confirmation opinion for the company's regular reports, and ensure the veracity, accuracy and integrity of information disclosure by the company;
- (5) Provide the relevant information and materials to the board of supervisors truthfully, and shall not hinder exercise of official powers by the board of supervisors or the supervisors; and

(6) Any other diligence obligations stipulated by laws, administrative regulations, ministry rules and these Guidelines.

Note: The company may, based on the specific circumstances, include additional requirements in its articles of association with respect to the diligence obligations of the company directors.

Article 99 Where a director has not attended two board meetings consecutively and does not entrust another director to attend the board meetings, he/she shall be deemed as unable to perform his/her duties, and the board of directors shall propose to a shareholders' general meeting to replace the director.

Article 100 A director may resign prior to expiry of his/her tenure. A resigning director shall submit a written resignation report to the board of directors. The board of directors shall disclose the relevant information within two days.

Where the resignation of the director will render the number of directors to fall below the statutory quorum, the original director shall continue to perform director duties pursuant to the provisions of laws, administrative regulations, ministry rules and these Guidelines prior to appointment of his/her replacement.

In addition to the circumstances set out in the preceding paragraph, the resignation of the director shall take effect upon receipt of the resignation report by the board of directors.

Article 101 When the resignation of the director took effect or upon expiry of the tenure of a director, he/she shall complete handover formalities with the board of directors, his/her fiduciary obligations towards the company and the shareholders are not automatically released upon completion of his/her tenure, and shall continue to be valid within the reasonable period stipulated in these Guidelines.

Note: The company's articles of association shall stipulate the specific period for which a director continues to bear fiduciary obligations after his/her resignation took effect or upon expiry of his/her tenure.

Article 102 Where it is not stipulated in these Guidelines or without legitimate authorisation by the board of directors, no director shall represent the company or the board of directors in his/her own name. When director acts in his/her own name, where a third party will reasonably assume that the director is representing the company or the board of directors, the director shall state his/own stand and identity beforehand.

Article 103 Where a director violates the provisions of laws, administrative regulations, ministry rules or these Guidelines in the exercise of director duties and causes the company to suffer losses, he/she shall be liable for compensation.

Article 104 Independent directors shall comply with the relevant provisions of laws, administrative regulations and ministry rules.

Section 2 Board of Directors

Article 105 The company shall establish a board of directors which is accountable to the company's shareholders' general meetings.

Article 106 The board of directors shall comprise **【number】** directors, one Chairman and **【number】** Deputy Chairmen.

Note: The company shall determine the number of directors in its articles of association.

Article 107 The board of directors shall exercise the following official powers:

(1) Convene shareholders' general meetings, and submit work reports to shareholders' general meetings;

- (2) Implement resolutions of shareholders' general meetings;
- (3) Decide on the company's business plans and investment schemes;
- (4) Formulate the company' annual budgets and final accounts;
- (5) Formulate the company's profit distribution plan and plan for making up of losses;
- (6) Formulate the company's plans for increase or reduction of registered capital, issuance of bonds or other securities and listing plan;
- (7) Formulate the company's plans for significant acquisition, acquisition of the company's shares or merger, division, dissolution and change of company form;
- (8) Decide, within the scope of the mandate granted by a shareholders' general meeting, on the company's external investments, acquisition and sale of assets, mortgage of assets, external guarantees, entrusted wealth management, related party transactions etc;
- (9) Decide on setting up of the company's internal management organisations;
- (10) Appointment or dismissal of the company's manager and the board secretary; appointment or dismissal of senior management personnel such as the company's deputy manager or person-in-charge of finance based on nomination by the manager, and decide on their remuneration and incentives and penalties;
- (11) Formulate the company's basic management rules;
- (12) Formulate plans for amendment of articles of association;
- (13) Manage information disclosure by the company;
- (14) Propose to a shareholders' general meeting on appointment or termination of accounting firm which provides audit services to the company;
- (15) Listen to the company manager's work reports and inspect the manager's work performance; and
- (16) Any other official duties accorded by laws, administrative regulations, ministry rules or these Guidelines.

The board of directors of a listed company should establish an audit committee and may establish other specialized committees for corporate strategy, nomination, and remuneration and assessment if necessary. The special committees are accountable to the board of directors and perform their duties in accordance with the Guidelines on Articles of Association of Listed Companies and authorization of the board. Proposals by the special committees should be submitted to the board for deliberation and decision. Special committees are composed solely of directors. Independent directors should make up the majority of the audit committee, the **【nomination committee】** and the **【remuneration and assessment committee】**, and should convene the committee meetings. The convener of the audit committee must be an accounting professional. The board of directors is responsible for making work procedures of specialized committees for the operation of specialized committees.

Note: A shareholders' general meeting of the company may issue a mandate to the board of directors on payment of dividends to holders of preference shares pursuant to the agreement in the company's articles of association.

Matters outside the scope of the mandate of the shareholders' general meeting shall be tabled at a shareholders' general meeting for deliberation.

Article 108 The board of directors shall provide an explanation to a shareholders' general meeting on a non-standard audit opinion issued by a certified public accountant for the company's financial report.

Article 109 The board of directors shall formulate the rules of procedure for board of directors to ensure that the board of directors implement resolutions of shareholders' general meetings, improve its work efficiency and ensure rational decision-making.

Note: The rules shall stipulate the procedures for convening of board meetings and voting thereat; the rules of procedure for board of directors shall be included in the company's articles of association or attached thereto as an appendix, formulated by the board of directors and approved by a shareholders' general meeting.

Article 110 The board of directors shall determine the authority limits for external investments, acquisition and sale of assets, mortgage of assets, external guarantees, entrusted wealth management and related party transactions, and establish stringent examination and decision-making procedures; and shall organise the relevant experts and professionals to appraise significant investment projects, and submit the same to a shareholders' general meeting for approval.

Note: The board of directors shall, pursuant to the relevant laws, regulations and the actual conditions of the company, determine in its articles of association the scope of authority limits which satisfy the specific requirements of the company, and the specific ratios of the funds involved to the company's assets.

Article 111 The board of directors shall appoint a Chairman, and may appoint Deputy Chairman(s).

The Chairman and Deputy Chairman(s) shall be elected by a simple majority of directors.

Article 112 The Chairman of the board of directors shall exercise the following official powers:

- (1) Chair shareholders' general meetings, and convene and chair board meetings;
- (2) Supervise and inspect implementation of board resolutions; and
- (3) Perform any other official powers accorded by the board of directors.

Note: The board of directors shall accord official powers to the Chairman prudently; routine or standing authorisation shall be specified and stipulated in the articles of association.

Article 113 The Deputy Chairman(s) shall assist the Chairman in performance of his/her duties. Where the Chairman is unable to perform his/her duties or does not perform his/her duties, the Deputy Chairman(s) shall perform the duties (where there are two or more Deputy Chairmen, the Deputy Chairman jointly elected by a simple majority of the directors shall perform the duties); where the Deputy Chairman is unable to perform the duties or does not perform the duties, a director jointly elected by a simple majority of the directors shall perform the duties.

Article 114 The board of directors shall convene at least two meetings every year; the Chairman shall convene the board meetings and issue a written notice to all the directors and supervisors 10 days before the meeting is held.

Article 115 A shareholder who holds 1/10 or more of the voting rights, one-third or more of the directors or the board of supervisors may requisition for an interim board meeting. The Chairman shall convene and chair a board meeting within 10 days from receipt of the requisition.

Article 116 The notification method for convening of an interim board meeting shall be: **【specific notification method】** ; the notice period shall be: **【specific notice period】** .

Article 117 A notice of board meeting shall include the following contents:

- (1) Date and venue of meeting;
- (2) Deadline for the meeting;
- (3) Subject matter and agenda items; and
- (4) Date of notice.

Article 118 The quorum of a board meeting shall be a simple majority of the directors. Board resolutions shall be passed by a simple majority of all the directors.

One person one vote shall apply to voting for board resolutions.

Article 119 A director who is related to an enterprise involved in a board resolution shall abstain from voting for the board resolution and shall not represent another director in exercise of voting rights. The board meeting may be held with the quorum of a simple majority of unrelated directors, and resolutions passed by the board meeting shall require a simple majority of votes of unrelated directors. Where the number of unrelated directors present at the board meeting is less than three, the said matter shall be tabled at a shareholders' general meeting for deliberation.

Article 120 The voting method for board resolutions shall be: **【specific voting method】** .

An interim meeting may, under the prerequisite of ensuring expression of opinions adequately by directors, be conducted in **【other form】** and pass resolutions; the directors present at the meeting shall sign the resolutions.

Note: This item is an optional clause; the company may decide whether to adopt this item in its articles of association.

Article 121 Directors shall attend board meetings personally; where a director is unable to attend a board meeting for some reason, he/she may entrust another director in writing to attend the meeting on his/her behalf. The proxy form shall state the name of the proxy, the matters to be represented, the scope of authorisation and the validity period, and the entrusting party shall sign or affix seal thereto. The director who attends the meeting on behalf shall exercise the director's rights within the scope of authorisation. Where a director does not attend a board meeting and does not appoint a proxy to attend on his/her behalf, he/she shall be deemed to forfeit his/her voting rights at the said meeting.

Article 122 The board of directors shall keep minutes on decisions of the meeting on the agenda items, the directors present at the meeting shall sign on the minutes.

The minutes shall be kept as company records for a period of not less than 10 years.

Note: The company shall, based on the specific circumstances, stipulate in its articles of association the period for retention of minutes.

Article 123 The minutes of a board meeting shall include the following contents:

- (1) The date and venue of the meeting and the name of the convenor;

(2) The name of directors present at the meeting and the name of directors (proxies) entrusted to attend the board meeting;

(3) The agenda of the meeting;

(4) Key points of speeches by the directors; and

(5) The voting method and results for each resolution (the voting results shall state the votes for, against the resolution or forfeited).

Chapter 6 MANAGERS AND OTHER SENIOR MANAGEMENT PERSONNEL

Article 124 The company shall establish the position of a manager to be appointed or terminated by the board of directors.

The company shall establish the positions of **【number】** deputy managers to be appointed or terminated by the board of directors.

The company's manager, deputy manager, person-in-charge of finance, board secretary and **【positions】** shall be the company's senior management personnel.

Note: The company may, based on the specific circumstances, stipulate in its articles of association other candidates for the company's senior management personnel.

Article 125 The provisions of Article 95 on inappropriate candidates for directors shall apply to senior management personnel.

The fiduciary obligations stipulated in Article 97 and the diligence obligations stipulated in items (4) to (6) of Article 98 shall apply to senior management personnel concurrently.

Article 126 Persons who hold administrative positions other than director and supervisor in the company's controlling shareholder shall not be appointed as the company's senior management personnel.

Article 127 The tenure of the manager shall be **【number】** years; the appointment of the manager may be renewed.

Article 128 The manager shall be accountable to the board of directors and shall exercise the following official powers:

(1) Preside over the company's production and business management, organise implementation of board resolutions, and report to the board of directors on his/her work;

(2) Organise implementation of the company's annual business plans and investment plans;

(3) Formulate the company's plans for establishment of internal management organisations;

(4) Formulate the company's basic management rules;

(5) Formulate the company's specific rules and regulations;

(6) Propose to the board of directors on appointment or termination of the company's deputy manager and person-in-charge of finance;

(7) Decide on appointment or termination of management personnel other than those whose appointment or termination is decided by the board of directors; and

(8) Any other official powers accorded by these Guidelines or the board of directors.

The manager shall be in attendance at board meetings.

Note: The company shall, based on its own conditions, formulate in its articles of association official powers of the manager which satisfy the company's actual requirements and the specific implementation method.

Article 129 The manager shall formulate the working rules for manager and submit for approval by the board of directors before implementation.

Article 130 The working rules for manager shall include the following contents:

(1) The criteria and procedures for convening of manager meetings and the participating personnel;

(2) The respective duties of the manager and other senior management personnel, and the division of work;

(3) Authority limits for application of the company's funds and assets, execution of significant contracts, and the reporting system to the board of directors and the board of supervisors; and

(4) Any other matters deemed necessary by the board of directors.

Article 131 The manager may tender resignation prior to expiry of his/her tenure. The detailed procedures and methods relating to resignation of manager shall be stipulated in the employment contract between the manager and the company.

Article 132 The company shall, based on its own conditions, stipulate in its articles of association the appointment and dismissal procedures for the deputy manager as well as the relationship between the manager and the deputy manager, and may stipulate the official powers of the deputy manager.

Article 133 The company shall appoint a board secretary to be responsible for preparation of the company's shareholders' general meetings and board meetings, safekeeping of documents and administration of information of the company's shareholders, handling information disclosure matters etc.

The board secretary shall comply with the relevant provisions of laws, administrative regulations, ministry rules and these Guidelines.

Article 134 Senior management personnel who violate the provisions of laws, administrative regulations, ministry rules or these Guidelines in execution of company duties and cause the company to suffer losses shall be liable for compensation.

Chapter 7 BOARD OF SUPERVISORS

Section 1 Supervisors

Article 135 The provisions of Article 95 on inappropriate candidates for directors shall also apply to candidates for supervisors.

Directors, manager and other senior management personnel shall not be appointed as supervisor concurrently.

Article 136 Supervisors shall comply with laws, administrative regulations and these Guidelines and bear fiduciary obligations and diligence obligations towards the company, shall not make use of official powers to accept bribes or other illegal income, and not encroach upon the company's assets.

Article 137 The tenure of a supervisor shall be three years. Upon expiry of the tenure of a supervisor, the tenure may be renewed if he/she is re-elected.

Article 138 Where a re-election is not promptly carried out upon expiry of the tenure of a supervisor, or the resignation of a supervisor during his/her tenure will render the number of directors to fall below the statutory quorum, the original supervisor shall continue to perform supervisor duties pursuant to the provisions of laws, administrative regulations and these Guidelines prior to appointment of his/her replacement.

Article 139 Supervisors shall ensure the veracity, accuracy and integrity of information disclosure by the company.

Article 140 Supervisors may be in attendance at board meetings, and raise questions or suggestions pertaining to board resolutions.

Article 141 Supervisors shall not make use of their relationships to harm the interests of the company; where the company suffers losses thereto, the supervisors shall be liable for compensation.

Article 142 Where a supervisor violates the provisions of laws, administrative regulations, ministry rules or these Guidelines in his/her execution of company duties and causes the company to suffer losses, he/she shall be liable for compensation.

Section 2 Board of Supervisors

Article 143 The company shall establish a board of supervisors. The board of supervisors shall comprise 【number】 supervisors, and appoint a Chairman. A Deputy Chairman may be appointed. The Chairman and the Deputy Chairman of the board of supervisors shall be elected by a simple majority of all the supervisors. The Chairman of the board of supervisors shall convene and chair meetings of the board of supervisors; where the Chairman of the board of supervisors is unable to perform his/her duties or does not perform his/her duties, the Deputy Chairman of the board of supervisors shall convene and chair meetings of the board of supervisors; where the Deputy Chairman of the board of supervisors is unable to perform his/her duties or does not perform his/her duties, a supervisor shall be elected by a simple majority of the supervisors to convene and chair meetings of the board of supervisors.

The board of supervisors shall include shareholder representatives and an appropriate percentage of employee representatives, the ratio of employee representatives shall not be less than one-third. The employee representatives sitting on the board of supervisors shall be elected by the employees through the employee representative congress, employee congress or any other democratic form.

Note: Members of the board of supervisors shall be not less than three. The company's articles of association shall stipulate the specific ratio of employee representatives sitting on the board of supervisors.

Article 144 The board of supervisors shall exercise the following official powers:

- (1) Examine regular reports prepared by the board of directors and issue written examination opinions;
- (2) Inspect company finances;

- (3) Supervise performance of duties by directors and senior management personnel, and propose termination of appointment of directors and senior management personnel who have violated laws, administrative regulations, these Guidelines or resolutions of shareholders' general meetings;
- (4) Where a director or senior management personnel has acted against the interests of the company, require the director or senior management personnel to make correction;
- (5) Requisition an extraordinary general meeting, convene and chair a shareholders' general meeting where the board of directors does not perform the duties stipulated by the Company Law on convening and chairing of a shareholders' general meeting;
- (6) Make proposals to shareholders' general meetings;
- (7) File a lawsuit against a director or senior management personnel pursuant to the provisions of Article 151 of the Company Law; and
- (8) Investigate into unusual business activities of the company; where necessary, engage professional organisations such as an accounting firm or a law firm to assist in its work, the expenses shall be borne by the company.

Note: The company's articles of association may stipulate any other official powers of supervisors.

Article 145 The board of supervisors shall convene at least one meeting every six months. A supervisor may requisition an interim meeting of the board of supervisors.

Resolutions of the board of supervisors shall be passed by a simple majority of the supervisors.

Article 146 The board of supervisors shall formulate rules of procedure for board of supervisors and specify the rules and voting procedures for meetings of the board of supervisors, to ensure work efficiency and rational decision-making of the board of supervisors.

Note: The rules of procedure for board of supervisors shall stipulate the procedures for convening of meetings of the board of supervisors and voting procedures thereof. The rules of procedure for board of supervisors shall be included in the company's articles of association or attached thereto as an appendix, formulated by the board of supervisors and approved by a shareholders' general meeting.

Article 147 The board of supervisors shall keep minutes on decisions of the meeting on the agenda items, the supervisors present at the meeting shall sign on the minutes.

Supervisors shall have the right to require that the minutes include certain explanatory records for speeches made at the meeting. The minutes of meetings of the board of supervisors shall be kept as company records for at least 10 years.

Note: The company shall, based on the specific circumstances, stipulate in its articles of association the retention period for minutes.

Article 148 A notice of meeting of board of supervisors shall include the following contents:

- (1) The date and venue of the meeting and the meeting deadline;
- (2) The subject matter and agenda items; and
- (3) Date of notice.

Chapter 8 FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial Accounting System

Article 149 The company shall formulate its financial accounting system pursuant to the provisions of laws, administrative regulations and the relevant State authorities.

Article 150 The company shall submit its annual financial accounting report to the CSRC and the stock exchange within four months from the end of each accounting year, submit its half-year financial accounting report to the CSRC branch and the stock exchange within two months from the end of the first half year of each accounting year, and submit quarterly financial accounting reports to the CSRC branch and the stock exchange within one month from the end of the first and third quarters of each accounting year.

The aforesaid financial accounting reports shall be formulated pursuant to the provisions of the relevant laws, administrative regulations and ministry rules.

Article 151 Except for statutory accounts books, the company shall not establish separate accounts books. The company's assets shall not be deposited in any account opened in the name of any individual.

Article 152 When a company distributes the profits after tax for the current year, it shall allocate 10% of the profits to the company's statutory reserve. When the company's statutory reserve attains 50% of the registered capital, the company may cease to make such allocation.

Where the company's statutory reserve is inadequate to make up losses of previous years, the company shall, prior to making allocation to the statutory reserve pursuant to the provisions of the preceding paragraph, use the profits of the current year to make up the losses.

Upon resolution by a shareholders' general meeting, the company may, after making allocation to the statutory reserve from the profits after tax, make allocations to any reserve from the profits after tax.

Upon making up of losses and allocation to reserve, the remaining profits after tax may be distributed in accordance with the shareholding percentage of the shareholders, except where these Guidelines stipulate that distribution is not in accordance with the shareholding percentage.

Where a shareholders' general meeting violates the provisions of the preceding paragraph in distributing profits to shareholders prior to making up of losses and allocation to statutory reserve, the shareholders shall return the profits which are distributed against the provisions to the company.

The shares in the company held by the company shall not participate in distribution of profits.

The company shall specify in its articles of association the sequence of distribution of cash dividends and distribution of stock dividends in the profit distribution method, and state the following contents:

(1) Decision-making procedures and mechanism of the company's board of directors and shareholders' general meetings with respect to profit distribution (particularly cash dividends), the specific criteria, decision-making procedures and mechanism for adjustment of established profit distribution policies (particularly cash dividend distribution policies), as well as measures adopted to heed the opinions of independent directors and small and medium shareholders.

(2) Specific contents of the company's profit distribution policies (particularly cash dividend policies), profit distribution form, interval between profit distribution (particularly distribution of cash dividends), specific criteria for distribution of cash dividends, criteria for distribution of stock dividends, the minimum amount or percentage (if any) for distribution of cash dividends for various periods etc.

Note: The company shall pay dividends to holders of preference shares in the form of cash, and shall not distribute profits to holders of ordinary shares prior to full payment of the agreed dividends.

Article 153 The company's reserves shall be used for making up losses of the company, expansion of the company's manufacturing and business operations or converted to the company's additional capital. The capital reserve shall not be used to make up losses of the company.

Where the statutory reserve is converted to capital, the remaining reserve shall not be less than 25% of the company's registered capital prior to the conversion.

Article 154 Upon passing of a resolution on profit distribution scheme of the company by a shareholders' general meeting, the board of directors shall complete distribution of dividends (or bonus shares) within two months from convening of the shareholders' general meeting.

Article 155 The profit distribution policies of the company shall be 【specific policies】 .

Note: A company issuing foreign-funded shares listed in China shall supplement the contents of this Section pursuant to the relevant provisions of the Implementation Regulations for Provisions on Foreign-funded Shares Listed in China.

Section 2 Internal Audit

Article 156 The company shall implement internal audit system and employ full-time audit personnel to carry out internal audit and supervision for the company's financial revenue and expenditure and economic activities.

Article 157 The internal audit system of the company and the duties of audit personnel shall be implemented upon approval by the board of directors. The person-in-charge of audit shall be accountable and report to the board of directors.

Section 3 Appointment of an Accounting Firm

Article 158 The company shall appoint an accounting firm "qualified to engage in securities-related businesses such as to audit its accounting statements, verify its net assets and provide other relevant advisory services; the term of appointment shall be one year and renewable.

Article 159 Appointment of an accounting firm by a company shall be decided by its shareholders' general meeting, and the board of directors shall not appoint an accounting firm prior to the decision by a shareholders' general meeting.

Article 160 The company shall undertake that the accounting vouchers, accounts books, financial accounting reports and any other accounting materials that it provides to the accounting firm are true and complete, and shall not refuse to provide information or conceal information or provide false information.

Article 161 The audit fees of an accounting firm shall be decided by a shareholders' general meeting.

Article 162 In the event of termination of appointment or non-renewal of appointment of an accounting firm, the company shall notify the accounting firm 【】 days in advance; when the company's shareholders' general meeting votes on termination of appointment of an accounting firm, the accounting firm shall be allowed to make its representation.

An accounting firm proposing to resign shall state at a shareholders' general meeting whether the company has committed any other improper act.

Chapter 9 NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 163 A notice of the meeting shall be made in the following forms:

- (1) Delivered by hand;
- (2) Mailed;
- (3) Announced; or
- (4) Made via any form stipulated in these Guidelines.

Article 164 Where a notice issued by the company is made via an announcement, upon announcement, all relevant personnel shall be deemed to have received the notice.

Article 165 The notice of a shareholders' general meeting convened by the company shall be made via the **【specification notification method】** .

Article 166 The notice of a board meeting convened by the company shall be made via the **【specific notification method】** .

Article 167 The notice of a meeting of board of supervisors convened by the company shall be made via the **【specific notification method】** .

Note: The company shall determine in its articles of association the specific notification method for various types of meetings of the company.

Article 168 Where a notice is delivered by hand, the party being served shall sign (or affix seal) on the acknowledge receipt, and the date of signature by the party being served shall be the date of service; where a notice is mailed, the date of service shall be the **【】** working day from posting at the post office; where a notice is served by way of announcement, the date of service shall be the date on which the first announcement is published.

Article 169 Where a notice of meeting is not delivered due to accidental omission to person who have the right to receive the notice or such persons do not receive the notice of meeting, the meeting and the resolutions passed by the meeting shall not be rendered invalid as a result thereof.

Section 2 Announcements

Article 170 The company designates the **【name of media】** to be the media for publishing of the company's announcements and any other information required to be disclosed.

Note: The company shall determine in its articles of association one or more newspapers and a website within the scope of media designated by the CSRC to be the media for the company's information disclosure.

Chapter 10 MERGER, DIVISION, INCREASE IN CAPITAL, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Increase in Capital and Capital Reduction

Article 171 A merger may be in the form of merger by absorption or merger by establishment of a new company.

In the case of merger by absorption, the company being absorbed shall be dissolved. Merger by establishment of a new company shall refer to the establishment of a new company as a result of merger of two or more companies and dissolution of the merger parties.

Article 172 In the event of a merger, the merger parties shall enter into a merger agreement, and formulate a balance sheet and an inventory list for assets. The company shall notify its creditors within 10 days from passing of the resolution on merger, and make an announcement on the 【title of newspapers】 within 30 days. Creditors may require the company to repay the debts or to provide the corresponding guarantee within 30 days from receipt of notification or within 45 days from the date of announcement if they do not receive notification.

At the time of merger, the creditor's rights and debts of the merger parties shall be succeeded by the company which subsists after the merger or the newly-established company.

Article 173 The assets of a company undergoing division shall be divided correspondingly.

Article 174 When a company undergoes a division, its assets shall be divided accordingly.

The company shall notify its creditors within 10 days from passing of the resolution on division, and make an announcement on the 【title of newspapers】 within 30 days.

Article 175 The divided companies shall bear joint and several liability for debts of the pre-division company, except where the written agreement between the company and its creditors on repayment of debts prior to the division stipulates otherwise.

Article 176 A company which wishes to reduce its registered capital shall formulate a balance sheet and an inventory list for assets.

The company shall notify its creditors within 10 days from passing of the resolution on reduction of registered capital, and make an announcement on the 【title of newspapers】 within 30 days. The creditors shall have the right to require the company to repay the debts or to provide the corresponding guarantee within 30 days from receipt of notification or within 45 days from the date of announcement if they do not receive notification.

The reduced registered capital of a company shall not be lower than the minimum statutory amount.

Article 177 In the event of change in registration matters due to merger or division, the company shall complete change registration formalities with the company registration authorities pursuant to the law; a company undergoing dissolution shall apply for deregistration pursuant to the law; where a new company is established, company establishment formalities shall be completed pursuant to the law.

A company increasing or reducing its registered capital shall complete change registration formalities with the company registration authorities pursuant to the law.

Section 2 Dissolution and Liquidation

Article 178 A company shall be dissolved for the following reasons:

(1) Expiry of term of business stipulated in its articles of association or occurrence of any other trigger for dissolution stipulated in its articles of association;

(2) A shareholders' general meeting has resolved on dissolution of the company;

(3) As required by merger or division;

(4) The company's business licence is cancelled pursuant to the law, or the company is ordered to be closed down or revoked pursuant to the law; or

(5) When the company has serious difficulties in its business management and its subsistence will cause serious damages to the interests of its shareholders, where the company is unable to resolve the difficulties through any other means, the shareholders who hold 10% or more of the share voting rights of the company may apply to a People's Court for dissolution of the company.

Article 179 Under the circumstances set out in item (1) of Article 178, a company may subsist through amendment of articles of association.

The resolution on amendment of articles of association pursuant to the provisions of the preceding paragraph shall be passed by shareholders who hold two-thirds of the voting rights present at the shareholders' general meeting.

Article 180 A company undergoing dissolution pursuant to the provisions of item (1), item (2), item (4) and item (5) of Article 178 shall establish a liquidation team, and commence liquidation within 15 days from occurrence of the trigger for dissolution. The liquidation team shall comprise persons determined by the directors or a shareholders' general meeting. Where the liquidation team is not established to commence liquidation within the stipulated period, the creditors may apply to a People's Court to designate the relevant persons to form a liquidation team and commence liquidation.

Article 181 The liquidation team shall exercise the following duties during the liquidation period:

(1) Sorting of company assets and formulation of balance sheet and inventory list for assets;

(2) Notification and announcement for creditors;

(3) Handling of the company's pending liquidation-related business;

(4) Settlement of tax in arrears and taxes arising in the course of liquidation;

(5) Sorting of creditor's rights and debts;

(6) Handling of the company's residual assets following repayment of debts; and

(7) Representing the company in civil lawsuits.

Article 182 The liquidation team shall notify the creditors within 10 days from the date of establishment, and make an announcement on the 【title of newspapers】 within 60 days. The creditors shall declare their creditor's rights to the liquidation team within 30 days from receipt of notification or within 45 days from the date of announcement if they do not receive notification.

Creditors declaring creditor's rights shall state the relevant information of the creditor's rights and provide proof materials. The liquidation team shall register the creditor's rights.

During the period for declaration of creditor's rights, the liquidation team shall not make repayment to creditors.

Article 183 Upon sorting of the company's assets and formulation of balance sheet and inventory list for assets, the liquidation team shall formulate a liquidation plan and submit it to a shareholders' general meeting or a People's Court for confirmation.

The company's assets shall be used respectively for payment of liquidation expenses, employees' wages, social security premiums and statutory compensation, and payment of tax in arrears and the company's debts; the residual assets thereafter shall be distributed in accordance with the shareholding percentage of the shareholders.

During the liquidation period, the company shall subsist but shall not engage in business activities unrelated to liquidation.

The company's assets shall not be distributed to shareholders prior to making repayment pursuant to the provisions of the preceding paragraph.

Note: Where a company which has issued preference shares is undergoing liquidation for dissolution or bankruptcy, the company's residual assets after making payment pursuant to the relevant provisions of the Company Law and the Bankruptcy Law shall be used first for distribution of undistributed dividends to holders of preference shares and payment of liquidation amount agreed in the company's articles of association; where the residual assets are inadequate for full payment, they shall be distributed pursuant to the shareholding percentage of the holders of preference shares.

Article 184 Upon sorting of the company's assets and formulation of balance sheet and inventory list of assets, where the liquidation team is aware that the company's assets are inadequate for repayment of debts, the company shall apply to a People's Court for declaration of bankruptcy.

Upon declaration of the company's bankruptcy pursuant to the ruling of a People's Court, the liquidation team shall hand over the liquidation matters to the People's Court.

Article 185 Upon completion of liquidation, the liquidation team shall prepare a liquidation report for confirmation to a shareholders' general meeting or a People's Court, apply to the company registration authorities for deregistration, and make an announcement on termination of company business.

Article 186 Members of the liquidation team shall be dedicated to their duties and perform liquidation obligations pursuant to the law.

Members of the liquidation team shall not make use of their official powers to accept bribes or any other illegal income, and shall not encroach upon the company's assets.

A member of the liquidation team who intentionally causes the company or its creditors to suffer losses or whose negligence causes the company or its creditors to suffer losses shall be liable for compensation.

Article 187 A company which is declared bankrupt pursuant to the law shall undergo bankruptcy liquidation pursuant to the laws on enterprise bankruptcy.

Chapter 11 AMENDMENTS TO ARTICLES OF ASSOCIATION

Article 188 Under any of the following circumstances, a company shall amend its articles of association:

(1) Following revision of the Company Law or the relevant laws and administrative regulations, the matters stipulated in the articles of association contradict the provisions of the revised laws and administrative regulations;

(2) There is a change to the company's details which result in inconsistency with the matters set out in the articles of association; or

(3) A shareholders' general meeting has decided on making amendments to the articles of association.

Article 189 Where an amendment to articles of association resolved by a shareholders' general meeting is subject to examination and approval by the authorities in charge, the amendment shall be submitted to the authorities in charge for approval; where an amendment to articles of association involves company registration matters, change registration formalities shall be completed pursuant to the law.

Article 190 The board of directors shall amend articles of association pursuant to the resolution of the shareholders' general meeting on amendment of articles of association and the examination and approval opinion of the authorities in charge.

Article 191 Where an amendment to articles of association falls under information required by laws and regulations to be disclosed, an announcement shall be made pursuant to the provisions.

Chapter 12 SUPPLEMENTARY PROVISIONS

Article 192 Definitions

(1) A controlling shareholder shall mean a shareholder whose holding of ordinary shares (including preference shares with resumed voting rights) constitutes 50% or more of the company's total share capital; or a shareholder whose shareholding percentage is less than 50% but whose share voting rights have a significant impact on the resolutions of a shareholders' general meeting.

(2) Actual controlling party shall mean a non-shareholder of the company who is able to exert actual control over the company through investor relations, an agreement or any other arrangements.

(3) Relationships shall mean relationships between the company's controlling shareholder, actual controlling party, directors, supervisors or senior management personnel and the enterprises directly or indirectly controlled by them, and any other relationships which may result in transfer of interests of the company. However, enterprises in which the State holds controlling stake shall not be deemed related because they are under common control by the State.

Article 193 The board of directors may formulate detailed rules for articles of association of the company pursuant to the provisions of the articles of association. The detailed rules for articles of association shall not contradict the provisions of the articles of association.

Article 194 These Guidelines is written in Chinese; where there is any discrepancy between the Chinese version and any other language or version of these Guidelines, the latest Chinese version of articles of association approved and registered with the 【full name of company registration authorities】 shall prevail.

Article 195 The terms "above", "within" and "below" referred to in these Rules shall include the numeral referred thereto; the terms "exceeding", "less than" and "more than" shall exclude the numeral referred thereto.

Article 196 The board of directors shall be responsible for interpretation of these Guidelines.

Article 197 The appendices to these Guidelines shall include the rules of procedure for shareholders' general meetings, the rules of procedure for board of directors and the rules of procedure for board of supervisors.

Article 198 Where the State provides otherwise on preference shares, such provisions shall prevail.

Article 199 These Guidelines shall be implemented with effect from the date of promulgation. The Guidelines on Articles of Association of Listed Companies (2014 Revision) (China Securities Regulatory Commission Announcement [2014] No. 47) shall be repealed simultaneously.