

IRICO GROUP NEW ENERGY COMPANY LIMITED*

RULES OF PROCEDURE FOR BOARD MEETINGS

CHAPTER I GENERAL PROVISIONS

- Article 1** These rules of procedure are hereby formulated in accordance with the requirements of the laws and regulations including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Main Board Listing Rules**”) and the Articles of Association of IRICO Group New Energy Company Limited (the “**Articles of Association**”), in order to ensure the board of directors and the directors of the Company to faithfully perform their duties and safeguard the interests of the Company and its shareholders.
- Article 2** The directors shall act in the best interests of the Company and shareholders, carefully read the documents of board meetings, act diligently in a normal and reasonable prudent manner and express clear opinions on the matters deliberated.
- Article 3** The secretary to the board of directors shall be responsible for the preparation before the board meeting, the recording during the meeting, and the material sorting, filing and information disclosure after the meeting.
- The securities affairs representative shall assist the secretary to the board of directors.
- Article 4** These rules of procedure are binding on all directors and secretary to the board of directors of the Company.

CHAPTER 2 COMPOSITION AND POWERS OF THE BOARD OF DIRECTORS

- Article 5** The board of directors shall comprise seven (7) directors, including two (2) executive directors, one (1) non-executive director, three (3) independent non-executive directors and one (1) employee director.
- The board of directors shall have a chairman, who shall be elected and removed by more than half of all directors.

The number of independent non-executive directors shall not be less than one third of the board members. Independent non-executive directors are elected by the general meeting, and they should ensure that they have enough time and energy to perform their duties as directors of the Company. Other provisions of independent non-executive directors shall be implemented in accordance with the Articles of Association.

Article 6

The board of directors shall exercise following functions and powers:

- (I) to convene general meetings, and submit work reports to general meetings;
- (II) to implement resolution(s) of general meeting;
- (III) to determine business and investment plans of the Company;
- (IV) to formulate profit distribution plans and loss recovery plans of the Company;
- (V) to devise proposals for the increase and reduction of registered capital, issuing bonds or other securities, and the listing of the Company;
- (VI) to formulate proposals for material acquisitions, purchase of shares, disposal of treasury shares of the Company, or merger, split-up, dissolve and change the corporate form of the Company;
- (VII) to decide, within the scope of the authorization of the general meeting, the Company's external investment, acquisition and sale of assets, asset mortgage, external guarantees, entrusted wealth management, connected transactions, external donations and other matters;
- (VIII) to decide on the guarantee matters for the wholly-owned subsidiaries and holding subsidiaries of the Company;
- (IX) to make decisions on the establishment of internal management bodies of the Company;

- (X) to appoint or dismiss the general manager of the Company, the secretary to the board of directors and decide on their remuneration and matters relating to awards and penalty, and based on the general manager's nominations to appoint or dismiss the deputy general manager, the chief financial officer or other senior management of the Company and decide on their remuneration and matters relating to awards and penalty.
- (XI) to formulate the basic management system of the Company;
- (XII) to formulate proposals for any amendments to the Articles of Association;
- (XIII) to manage the information disclosure of the Company;
- (XIV) to propose at general meetings for the appointment or change of the accounting firm(s) responsible for the auditing for the Company;
- (XV) to hear the work reports of the general manager and inspect the work of the management of the Company;
- (XVI) other powers conferred by laws, administrative regulations, departmental rule, the securities regulatory rules of the place(s) where the Company's shares are listed, the Articles of Association or the general meeting.

Resolutions of the board of directors concerning the matters set out in the preceding paragraph shall be passed by a majority vote of the directors, except for items (V), (VI) and (XII), which shall require the approval of not less than two-thirds of the directors.

Article 7 The board of directors shall exercise its powers in conjunction with the leadership role of the Company's Party Committee. Major operational and management matters shall be subject to prior deliberation by the Party Committee before the board of directors makes decisions in accordance with its authority and prescribed procedures.

Article 8 The chairman of the board of directors shall exercise the following functions and powers:

- (I) to preside over general meetings and to convene and preside over board meetings;
- (II) to supervise and review the implementation of resolutions of the board of directors;
- (III) other functions and powers authorized by the board and directors.

If the chairman of the board of directors is unable to perform his/her duties, one director shall be elected jointly by a majority of the directors to perform duties.

CHAPTER III CONVENING AND NOTICE OF MEETINGS

Article 9 The board meetings shall be held at least four times every year and shall be convened by the chairman. An extraordinary Board meeting may be convened if proposed by shareholders with more than one-tenth of voting rights, more than one-third of Directors, or the audit committee. The chairman shall convene and preside over a board meeting within ten days after receipt of the proposal.

Article 10 Notice of regular meetings shall be given to all directors fourteen (14) days prior to the meeting. Notice of extraordinary meetings shall be given to all directors no less than five (5) days and no more than eight (8) days prior to the meeting.

Article 11 The notice of a board meeting shall specify:

- (I) the date and venue of the meeting;
- (II) duration of the meeting;
- (III) the presider of the meeting;
- (IV) reason and proposals;
- (V) date on which the notice is sent.

Article 12 The methods of delivery for meeting notices shall be: personal delivery, fax, email or electronic communication.

CHAPTER VI CONVENING AND RESOLUTIONS OF MEETINGS

Article 13 The board meeting shall be presided over by the chairman. In the event that the chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director elected by a majority of the directors.

Article 14 The board meeting shall be convened with attendance of over a majority of directors.

Article 15 Board meetings shall be convened and votes cast in person and/or by video conference, electronic communication, or written resolution.

For meetings conducted via video conferencing or electronic communications, directors present through video display, directors expressing views via teleconference, directors whose valid voting ballots (including fax or email) are actually received within the prescribed time limit, or directors who subsequently submit written confirmations of attendance shall all be counted as present.

Directors shall attend board meetings in person. When unable to attend due to justifiable reasons, a director may appoint another director as proxy by submitting a written power of attorney specifying the scope of authorization.

Article 16 Where a director neither attends a board meeting nor appoints a proxy, he or she shall be deemed to have waived his or her voting rights at that meeting.

Article 17 Where a director fails to attend board meetings in person or by proxy for two consecutive times, the said director shall be deemed incapable of performing his/her duties, and the board of directors shall suggest that the general meeting dismiss the said director.

Article 18 Where the secretary to the board of directors is not a director of the Company, he/she shall attend board meetings.

- Article 19** Subject to the consent of the chairman or the convener, the following persons may attend board meetings:
- (I) the non-director general manager of the Company;
 - (II) other senior management personnel of the Company, heads of functional departments, and the securities affairs representative;
 - (III) accountants and solicitors engaged by the Company.
- Article 20** Each director shall have one vote. Resolutions of the board of directors shall, unless otherwise provided in the Articles of Association, be passed by a simple majority of all directors.
- Board resolutions shall be confirmed by the signatures of all directors present at the meeting.
- Article 21** Where a director has an interest in any enterprise or individual involved in a matter subject to board resolution, such director shall promptly submit a written report to the board of directors. The interested director shall neither vote on such resolution nor act as proxy for other directors in voting thereon. A board meeting may be held with the attendance of a simple majority of disinterested directors, and resolutions shall be passed by a simple majority of such disinterested directors. If fewer than three disinterested directors are present, the matter shall be submitted to the general meeting for consideration.
- Article 22** Prior to the board resolution, if two or more independent non-executive directors determine that the meeting materials are incomplete, inadequately substantiated or not provided in a timely manner, they may submit a written request to postpone the meeting or defer consideration of the relevant matter, which the Board shall adopt.

CHAPTER V MINUTES OF MEETING

Article 23 Minutes shall be taken at board meetings. Such minutes shall be truthful, accurate and complete, fully reflecting the views expressed by attendees on matters under consideration.

Article 24 The minutes of the board meeting shall include the following:

- (I) date, place and name of the convener and the presider of the meeting;
- (II) names of the directors present at the meeting and names of the directors (proxies) present at the meeting on behalf of other director(s);
- (III) agenda of the meeting;
- (IV) gist of the directors' speech;
- (V) the voting manner and results on each resolution (the voting result shall state the number of affirmative votes, dissenting votes, and abstention votes).

Article 25 The minutes of board meetings shall be confirmed by the signatures of attending directors.

Directors present at the meeting shall have the right to require explanatory statements to be recorded in the minutes.

Article 26 The minutes of the board meetings shall, as the company file, be saved by the secretary to the board of directors. Retention of the minutes shall be not less than 10 years.

CHAPTER VI SUPPLEMENTARY PROVISIONS

Article 27 These rules of procedure shall constitute an appendix to the Articles of Association and shall have equal legal effect as the Articles of Association.

Article 28 These rules of procedure shall be formulated, amended and interpreted by the board of directors.

Article 29 These rules of procedure shall take effect upon approval by the general meeting of the Company, and any amendments thereto shall follow the same procedure.