



IRICO

彩虹集團新能源股份有限公司

IRICO GROUP NEW ENERGY COMPANY LIMITED*

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

(Stock Code: 0438)

ARTICLES OF ASSOCIATION

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ARTICLES OF ASSOCIATION OF IRICO GROUP NEW ENERGY COMPANY LIMITED*

CHAPTER 1 GENERAL PRINCIPLES

Article 1

To safeguard the legitimate rights and interests of IRICO Group New Energy Company Limited* (the “Company”), its shareholders, employees and creditors, and to standardize the organization and behavior of the Company, the Articles of Association are hereby formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies issued by the China Securities Regulatory Commission (the “CSRC”) (the “Administrative Measures”), the Guidelines for Articles of Association of Listed Companies, the Rules Governing the Listing of Securities of The Hong Kong Stock Exchange Limited (the “Main Board Listing Rules”) and other relevant regulations.

Article 2

The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations.

Pursuant to the approval of the document entitled “The Approval of the Establishment of IRICO Group Electronics Company Limited*” (《關於設立彩虹集團電子有限公司的批覆》) (Guo Zi Gai Ge [2004] No. 850) by the State-owned Assets Supervision and Administration Commission under the State Council, the Company was established on 9th September 2004. The Company was registered on 10th September 2004 with the Shaanxi Administration for Industry and Commerce of the People’s Republic of China, and obtained business license of enterprise legal person. Its unified social credit code is: 916100007663066019.

The Company is exclusively established by IRICO Group Corporation (彩虹集團公司) (renamed as IRICO Group Company Limited (彩虹集團有限公司)).

The Company’s registered capital at the time of its establishment is RMB1.5 billion, with the total number of shares being 1.5 billion shares, all of which are fully subscribed for by IRICO Group Corporation.

On 13 November 2015, the Company convened an extraordinary general meeting to change its name from IRICO Group Electronics Company Limited* to IRICO Group New Energy Company Limited. On 3 February 2016, the Company received a new business license issued by Shaanxi Provincial Administration for Industry and Commerce.

Article 3

The Company was approved by the CSRC on 15 November 2004, and issued 485,294,000 foreign shares for its initial overseas listing, which were listed on the Hong Kong Stock Exchange on 20 December 2004 following approval by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

Article 4

Registered name of the Company

Full Chinese name: 彩虹集團新能源股份有限公司

Full English name: IRICO GROUP NEW ENERGY COMPANY LIMITED

Article 5

Address of the Company: C6, No. 3 Xinghuo Avenue, High-Tech Industrial Development Zone, Xianyang, Shaanxi Province, the People’s Republic of China

Telephone No.: 8629–33825355

Postal Code: 712000

Article 6

The Company’s registered capital is RMB176,322,070.

Article 7

The Company is a joint stock company with perpetual existence.

Article 8

The General Manager of the Company shall be the legal representative of the Company.

When the General Manager resigns, he/she shall be deemed to have resigned from the position of legal representative simultaneously.

If the legal representative resigns, a new legal representative shall be determined by the Company within thirty (30) days from the date of the legal representative’s resignation.

Article 9

The legal consequences of civil activities performed by the legal representative in the name of the Company shall be assumed by the Company.

Any restriction on the power of the legal representative imposed by the Articles of Association or the General Meeting shall not be set up against a bona fide opposite party.

Where the legal representative causes any harm to any other person for execution of his/her functions, the Company shall assume civil liability for such harm. The Company may, after assuming civil liability, recover loss from the legal representative at fault in accordance with laws or the Articles of Association.

Article 10

The Company is an independent corporate legal person. All acts of the Company shall comply with the laws and regulations of the People's Republic of China (the "PRC") and the place where the Company's shares are listed outside China.

Article 11

Shareholders shall hold responsibility to the Company in accordance with the shares they subscribe for, while the Company shall be responsible for its debts with all its properties.

Article 12

The Company may invest to other limited liability companies and joint stock limited companies, and shall take the corresponding responsibility in proportion of its investment amount.

Article 13

The Articles of Association shall, from the date when they take effect, constitute a legally binding document regulating the structure and activities of the Company and the rights and obligations between the Company and its shareholders and among the shareholders, and shall be legally binding on the Company, its shareholders, Directors and senior management members. In accordance with the Articles of Association, shareholders may bring litigations against shareholders, shareholders may bring litigations against the Company's Directors and senior management members, shareholders may bring litigations against the Company, and the Company may bring litigations against shareholders, Directors and senior management members.

Article 14

The senior management members referred to in the Articles of Association shall be the general manager, deputy general manager, chief financial officer, Secretary to the Board and other personnel designated by the Board of the Company.

Article 15

In accordance with the relevant provisions under the Constitution of the Communist Party of China, the Company shall establish an organization of the Communist Party and carry out the activities of the Party. The Company shall provide necessary conditions for the Party organization's activities.

CHAPTER 2 THE BUSINESS PURPOSE AND SCOPE

Article 16

The Company's business purpose is to enhance the core competitiveness of the products through continuous scientific and technological innovation, so as to build a world-class green energy enterprise, as well as make benefits for the shareholders thereof, well-being for the employees thereof, and contribution to the society.

Article 17

The business scope of the Company (as legally registered): manufacturing of glass; manufacturing of non-metallic mineral products; sales of non-metallic minerals and products; research and experimental development of engineering and technology; mineral washing and processing; mineral concentration; intelligent control system integration; import and export of goods; import and export agents; technology import and export (except for items subject to approvals required by the laws, business activities shall be conducted independently with the business license and in accordance with the laws). Licensed items: mining of mineral resources (non-coal mines); power generation, transmission and supply (distribution) business (for items subject to approval as required by the laws, approvals by the relevant departments should be obtained before carrying out business activities and the specific items of business shall be subject to the approval results).

The Company may, based on any changes in domestic and international markets, business development and its own capability, adjust its business scope and complete the formalities of industry and commerce administration registration for such adjustment according to relevant provisions.

CHAPTER 3 SHARES

Section 1 Issuance of Shares

Article 18

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

Article 19

The shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights. Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. The same price is paid for each share subscribed for by the subscribers.

Article 20

The par value shares issued by the Company shall be denominated in Renminbi with each share having a par value of Renminbi 1.

The aforesaid “Renminbi” shall mean the lawful currency of the PRC.

Article 21

The Company may issue shares to domestic investors and overseas investors upon legal approval.

The aforesaid overseas investors shall mean the investors from foreign countries and the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan who subscribe for the shares issued by the Company; domestic investors shall mean the investors within the PRC other than those from the aforesaid regions.

Article 22

The shares issued by the Company to the domestic investors and subscribed in Renminbi shall be called domestic shares. The shares issued by the Company to the overseas investors and subscribed in foreign currency shall be called foreign shares. Those foreign shares listed overseas shall be called overseas listed foreign invested shares.

The aforesaid foreign currency shall mean the legal currency of foreign countries or regions other than Renminbi, recognized by the foreign exchange authority of PRC for the purpose of payment for the shares to the Company.

The overseas listed foreign invested shares issued by the Company in Hong Kong shall be called H shares. H shares shall be denominated in Renminbi and subscribed for and traded in Hong Kong dollars.

Article 23

After the first issue of overseas listed foreign invested shares, the Company's registered capital is RMB1,941,174,000, with the total number of shares being 1,941,174,000 shares, of which 1,455,880,000 shares are domestic shares, accounting for 75% thereof, and 485,294,000 shares are foreign investment shares, accounting for 25%.

As decided by the general meeting of the Company on 28 January 2010, with the capitalization of the capital reserve by 1 share for every 10 shares, the Company's registered capital is changed into RMB2,135,291,400, and the total number of shares is changed into 2,135,291,400 shares, of which 1,601,468,000 shares are domestic shares, accounting for 75%, and 533,823,400 shares are foreign investment shares, accounting for 25%.

In accordance with the general mandate granted to the Board by the 2009 Annual General Meeting, the Company has completed the placing of 97,058,000 shares of H shares, with the registered capital being changed into RMB2,232,349,400, and the total number of shares being changed into 2,232,349,400 shares, of which 1,601,468,000 shares are domestic shares, accounting for 71.74%, and 630,881,400 shares are foreign investment shares, accounting for 28.26%.

In accordance with the approval at the extraordinary general meeting and the class meeting of the holders of H shares on 23 January 2019 and 20 January 2020, the Company has completed the placing of 1,294,092,000 shares, with the registered capital being changed into RMB3,526,441,400, and the total number of shares being changed into 3,526,441,400 shares, of which 1,601,468,000 shares are domestic shares, accounting for 45.41%, and 1,924,973,400 shares are foreign investment shares, accounting for 54.59%.

In accordance with the approval at the extraordinary general meeting, the class meeting of the holders of domestic shares and the class meeting of the holders of H shares on 28 December 2020, the Company has completed the reduction of every twenty (20) Shares with a par value of RMB1 each to one (1) reduced share with a par value of RMB1 each, with the registered capital being changed into RMB176,322,070, and the total number of shares being changed into 176,322,070 shares, of which 80,073,400 shares are domestic shares, accounting for 45.41%, and 96,248,670 shares are foreign investment shares, accounting for 54.59%.

Article 24

No financial assistance shall be provided to others by the Company or its subsidiaries (including affiliated enterprises of the Company) for the purpose of acquiring shares in the Company or its parent company by way of gift, advance, guarantee, loan or otherwise, except for the implementation of the employee stock ownership plans of the Company.

For the benefit of the Company, the Company may provide financial assistance to others for the purpose of acquiring shares in the Company or its parent company upon a resolution passed at a General Meeting, or by the Board pursuant to the Articles of Association or the mandate of the General Meeting, provided that the aggregate amount of such financial assistance shall not exceed 10% of the total issued share capital. Any resolution of the Board in this regard must be approved by more than two-thirds of all the Directors.

Section 2 Increase in, Reduction and Repurchase of Shares

Article 25

The Company may, based on its operation and business requirements and in accordance with applicable laws and regulations, increase its capital by a resolution passed at a General Meeting in the following manners:

- (1) issue of shares to unspecified investors;
- (2) issue of shares to specified investors;
- (3) bonus distribution of shares to existing shareholders;
- (4) conversion of capital reserves into share capital;
- (5) any other ways as permitted by the laws, administrative regulations, or as approved by the Hong Kong Stock Exchange, the securities regulatory authorities of the place where the Company's shares are listed.

The increase in the capital of the Company approved pursuant to the provisions of the Articles of Association shall be implemented in accordance with relevant laws, administrative regulations, and the securities regulatory authorities of the place where the Company's shares are listed.

Article 26

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be carried out in accordance with the procedures stipulated in the Company Law, the Main Board Listing Rules, other applicable regulations, and the provisions of the Articles of Association.

Article 27

The Company shall not repurchase its own shares. However, exceptions are made in any of the following circumstances:

- (1) to reduce the registered capital of the Company;
- (2) to amalgamate with other companies which own shares in the Company;
- (3) to utilize its shares in employee stock ownership plans or share incentive;
- (4) where the shareholders, who disagree with the resolution in relation to merger or division of the Company made at the General Meeting, require the Company to repurchase the shares;
- (5) to utilize its shares to satisfy the conversion of convertible bonds issued by the Company;
- (6) to safeguard the value of the Company and the interests of the shareholders when necessary;
- (7) other circumstances as prescribed by the laws, regulations, and securities regulatory rules of the place where the Company's shares are listed.

Any subsidiary controlled by the Company shall not acquire the shares of the Company.

Article 28

The Company may repurchase its shares in centralized open trading or other ways as permitted by the laws, administrative regulations, and the securities regulatory authorities of the place where the Company's shares are listed.

In the event that the Company purchases its shares under either circumstance as mentioned in Article 27, paragraph 1, items (3), (5) and (6) of the Articles of Association, such repurchase shall be conducted in centralized open trading or other ways as permitted by the securities regulatory authorities of the place where the Company's shares are listed.

Article 29

In the event that the Company purchases its shares under either circumstance as mentioned in Article 27, paragraph 1, items (1) and (2) of the Articles of Association, a resolution thereon shall be made at the General Meeting. Where the Company purchases its shares under either circumstance as mentioned in Article 27, paragraph 1, items (3), (5) and (6) of the Articles of Association, a Board resolution thereon may, pursuant to the requirements of the Articles of Association or the mandate of the General Meeting, be passed at a Board meeting that is attended by at least two-thirds of the Directors, provided that such purchase complies with the securities regulatory rules of the place where the Company's shares are listed.

In the event that the Company purchases its shares in accordance with Article 27, paragraph 1 of the Articles of Association under the circumstance as mentioned in item (1), the shares shall be cancelled within ten (10) days from the date of purchase; in the event that the Company purchases its shares under either circumstance as mentioned in items (2) and (4), the shares shall be transferred or cancelled within six (6) months; in the event that the Company purchases its shares under either circumstance as mentioned in items (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company and shall be transferred or cancelled within three (3) years.

For the purposes of paragraph 2 of this Article, if the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall apply.

After the Company has completed the cancellation of its repurchased shares, the Company shall apply to the original company registration authority for registration of alteration of such registered capital and issue relevant announcement. The registered capital of the Company shall be deducted by the total nominal value of the shares thus cancelled.

Where the laws, regulations, and the securities regulatory authorities of the place where the Company's shares are listed provide otherwise for matters related to the above share repurchases, such provisions shall apply.

In the event that the Company purchases its shares, it shall fulfill its information disclosure obligations in accordance with the laws, regulations, and securities regulatory rules of the place where its shares are listed.

Section 3 Transfer of Shares

Article 30

The shares of the Company shall be transferred in accordance with the laws, regulations, securities regulatory rules of the place where the Company's shares are listed, and the provisions of the Articles of Association.

Article 31

The Company shall not accept its shares as the subject matters of a pledge.

Article 32

The Directors and senior management members shall report the Company of the shares of the Company held by them and changes therein and shall not transfer more than 25% of the total number of the shares of the Company held by them in each year during their terms of office as determined upon appointment. The aforesaid person(s) shall not transfer the shares of the Company held by them within six (6) months commencing from the termination of their service.

Where the laws, regulations and the listing rules of the place where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer of shares, such rules shall apply.

Article 33

Shareholders holding more than 5% of the Company's shares, as well as Directors and senior management members, who sell shares or other equity-type securities of the Company within six (6) months after purchase, or repurchase such shares or securities within six (6) months after sale, shall comply with the listing rules of the place where the Company's shares are listed.

The shares or other equity-type securities held by the Directors, senior management members, and individual shareholders mentioned in the preceding paragraph include those held by their spouses, parents, children, and those held through accounts of others.

CHAPTER 4 SHAREHOLDERS AND GENERAL MEETINGS

Section 1 General Provisions for Shareholders

Article 34

The Company shall keep a register of shareholders based on certificates provided by the securities registration and clearing authorities. The register of shareholders shall be sufficient evidence of shareholdings in the Company. Shareholders shall enjoy the rights and assume the obligations according to the class of shares held by them. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

The complete register of shareholders shall contain the following parts:

- (1) register of shareholders other than those provided in paragraphs (2) and (3) below kept at the seat of the Company.
- (2) register of H shareholders kept at the place where the Company's shares are listed.
- (3) register of shareholders kept in other place(s) as the Board of the Company thinks fit for the purpose of listing the shares of the Company.

Appointed overseas agencies shall from time to time guarantee that the original register of shareholders in relation to overseas listed foreign shares and the copies thereof shall be consistent. Where there is any inconsistency between the original register of shareholders of overseas listed foreign shares and the copies thereof, the original shall prevail.

The register of H shareholders shall be open for inspection by shareholders; however, the Company may close the register of shareholders in accordance with the equivalent provisions of section 632 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

Domestic Shareholder who lost his/her share certificate may apply for the issue of new share certificate in accordance with the relevant provisions of the Company Law. Holder of foreign invested shares who lost his/her share certificate shall apply for the issue of new share certificate in accordance with the laws, stock exchange rules and other relevant regulations of the place where the original register of shareholders in relation to foreign shares is kept.

Article 35

In the event the Company decides to convene a General Meeting, distribute dividends, liquidate or engage in activities which require determining shareholder identity, the Board or the convener of the General Meeting shall determine the record date. Shareholders registered after the close of trading on the record date shall be entitled to the relevant rights and interests.

Article 36

Shareholders of the Company shall have the following rights:

- (1) to receive dividends and distribution in any other form in proportion to the number of shares held;
- (2) to request the holding of, convene, preside, attend or to appoint proxy to attend the General Meeting in accordance with the laws and to exercise the corresponding right to speak and voting rights (except where individual shareholders are required to abstain from voting on specific matters under the securities regulatory rules of the place where the Company's shares are listed or applicable laws, regulations);
- (3) to supervise the operations of the Company and to put forward proposals and raise inquiries;
- (4) to transfer, give away or charge the shares held in accordance with the laws, administrative regulations and the Articles of Association of the Company;
- (5) to inspect and make copies of the Articles of Association, the register of shareholders, minutes of General Meetings, resolutions of the Board meetings, and financial and accounting reports. Shareholders who meet the prescribed conditions may also inspect the Company's accounting books and accounting vouchers;
- (6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of surplus assets of the Company in accordance with the number of shares held;
- (7) for any shareholder who raises an objection to the resolutions of the General Meeting regarding the merger or division of the Company, the right to require the Company to purchase his/her shares;
- (8) other rights stipulated in the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 37

Shareholders requesting inspection or make copies of the materials of the Company shall comply with the provisions of the Company Law, the Securities Law, the Main Board Listing Rules, securities regulatory rules of the place where the Company's shares are listed and other laws and administrative regulations, and shall provide to the Company written documents evidencing the class and number of shares of the Company they hold. Upon verification of the Shareholder's identity, the Company shall provide such information at the Shareholder's request.

Article 38

Where a resolution of a General Meeting or Board meeting violates the laws or administrative regulations, shareholders are entitled to make a petition to the People's Court to nullify such resolution.

Where the convening or voting procedures of a General Meeting or Board meeting violates the laws, administrative regulations or the Articles of Association, or a resolution of such meeting violates the Articles of Association, shareholders are entitled to make a petition to the People's Court to revoke the resolution adopted in such meeting within sixty (60) days from the date when such resolution is adopted. However, this will not apply where there are only minor defects in the procedures for convening or the voting methods of the General Meeting or Board meeting that do not have a substantive impact on the resolution.

If the Board, shareholders or other relevant parties dispute the validity of a resolution at the General Meeting, they shall promptly initiate legal proceedings with the People's Court. Prior to the issuance of a judgment or ruling by the People's Court to revoke such resolution or otherwise, the relevant parties shall implement the resolution of the General Meeting. The Company, its Directors and senior management members shall practically perform their duties to ensure the normal operation of the Company.

Where the People's Court makes a judgment or ruling on the relevant matter, the Company shall, in accordance with the law, administrative regulations, and securities regulatory rules of the place where the Company's shares are listed, fulfil its information disclosure obligations, fully explain the impact, and actively cooperate in enforcement after such judgment or ruling becomes effective. If correction of prior matters is involved, the Company shall promptly address them and discharge the corresponding information disclosure obligations.

Article 39

Resolution(s) of a General Meeting or Board meeting of the Company shall be invalid in any of the following circumstances:

- (1) the resolution(s) was/were not made by a General Meeting or Board meeting;
- (2) no voting on the resolution(s) was made at a General Meeting or Board meeting;
- (3) the number of attendees of the meeting or the number of their voting rights does not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association;
- (4) the number of attendees voting in favor of the resolution(s) or the number of their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association.

Article 40

Where the Company incurs losses as a result of a Director or senior management member other than a member of the audit committee having violated any provision of the laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, shareholders alone or in aggregate holding no less than 1% of the Company's shares for no less than one hundred and eighty (180) consecutive days shall be entitled to request in writing the audit committee to initiate proceedings in the People's Court. Where the Company incurs losses as a result of any member of the audit committee having violated any provision of the laws, administrative regulations or the Articles of Association in the course of performing his/her duties with the Company, the aforesaid shareholders may request in writing the Board to initiate proceedings in the People's Court.

If the audit committee or the Board refuses to initiate proceedings upon receipt of the written request of the shareholders set forth in the preceding paragraph, or fails to initiate such proceedings within thirty (30) days from the date on which such request is received, or in case of emergency where failure to initiate such immediately proceedings result in will irreparable damages to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the People's Court in their own names in the interests of the Company.

Shareholders described in paragraph 1 of this Article may also initiate proceedings in the People's Court in accordance with the preceding two paragraphs of this Article in the event that the legal interests of the Company is infringed upon by a third party and that the Company suffers from losses accordingly.

If any Director or senior management member of a wholly-owned subsidiary of the Company violates any law, administrative regulation or the Articles of Association in performing his/her duties, causing losses to the Company, or the infringement of the legitimate rights and interests of a wholly-owned subsidiary of the Company by others causing losses, shareholders who holds 1% or more of the shares in the Company, either individually or collectively, for one hundred and eighty (180) or more consecutive days shall request the supervisory committee and the board of directors of a wholly-owned subsidiary in writing in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law to institute a legal action in the People's Court or to institute a legal action in the People's Court in their own names.

Article 41

Shareholders may institute legal proceedings in the People's Court against any Director or senior management member who damages the shareholders' interests by violating any law, administrative regulation or the Articles of Association.

Article 42

Shareholders of the Company shall assume the following obligations:

- (1) to abide by the laws, administrative regulations and the Articles of Association;
- (2) to pay subscription monies according to the number of shares subscribed for and the method of subscription;
- (3) not to withdraw their share capital except in circumstances allowed by the laws and regulations;
- (4) not to abuse his/her rights as a shareholder to infringe the interests of the Company or other shareholders and not to abuse the independent position of the Company as a legal person or the limited liability status of the shareholders to infringe the interests of creditors of the Company;
- (5) other obligations imposed by the laws, administrative regulations, the Articles of Association and securities regulatory rules of the place where the Company's shares are listed.

Article 43

Where a shareholder's abuse of rights as a shareholder has caused damages to the Company or other shareholders, he/she shall be liable for compensation in accordance with the laws. Where a shareholder abuses the independent position of the Company as a legal person, or the limited liability status of shareholders for the evasion of its debts and such acts have caused serious damages to interests of the Company's creditors, he/she shall bear joint and several liabilities in respect of the debts of the Company.

Section 2 Controlling Shareholder and De Facto Controller

Article 44

Any controlling shareholder or de facto controller of the Company shall exercise his/her rights and fulfil his/her obligations in accordance with the laws, administrative regulations, and the requirements of the stock exchange at the place where the Company's shares are listed, and safeguard the interests of the Company.

Article 45

Any controlling shareholder or de facto actual controller of the Company shall comply with the following provisions:

- (1) to exercise shareholder rights in accordance with the laws, without abusing control rights or exploiting connected relationship to harm the lawful rights and interests of the Company or other shareholders;
- (2) to strictly perform any public statements and undertakings made, without unauthorized alteration or waiver;
- (3) to fulfil information disclosure obligations in strict accordance with the relevant regulations, actively cooperate with the Company in its information disclosure, and promptly inform the Company of any material events that have occurred or are expected to occur;
- (4) not to occupy corporate funds in any manner;
- (5) not to compel, instruct, or require the Company or its relevant personnel to provide guarantees in violation of the laws or regulations;
- (6) not to exploit any undisclosed material information of the Company to seek benefits, disclose any undisclosed material information relating to the Company in any manner, or engage in insider trading, short-swing trading, market manipulation or any other unlawful or non-compliant conduct;
- (7) not to harm the lawful rights and interests of the Company and other shareholders through any unfair connected transaction, profit distributions, asset restructurings, external investments or any other means;

- (8) to ensure the integrity of the Company's assets, independence of its personnel, finance, organization and business, and not to interfere with the Company's independence in any manner;
- (9) to comply with other provisions under the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where any controlling shareholder or de facto controller of the Company does not serve as a Director but actually transacts the business of the Company, the provisions of the Articles of Association concerning the fiduciary duties and duties of diligence of Directors shall apply.

Where any controlling shareholder or de facto controller instructs any Director or senior management member to engage in acts that are detrimental to the interests of the Company or its shareholders, he/she shall bear joint and several liability with such Director or senior management member.

Article 46

Where any controlling shareholder or de facto controller pledges the shares of the Company held or effectively controlled by him/her, he/she shall ensure the stability of the Company's control and business operations.

Article 47

Where any controlling shareholder or de facto controller transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on share transfers as stipulated by the laws, administrative regulations and stock exchange at the place where the Company's shares are listed, as well as any undertakings made by him/her in relation to the restriction on share transfers.

Section 3 General Provisions for General Meeting

Article 48

The General Meeting of the Company shall be composed of all shareholders. The General Meeting shall be the source of authority of the Company and shall exercise the following powers according to the laws:

- (1) to elect and replace non-employee Directors and to determine the remuneration of such Directors;
- (2) to consider and to approve the report of the Board;
- (3) to consider and to approve the plan for profit distribution and plan for making up losses;
- (4) to approve the increase in or reduction of the registered capital of the Company;
- (5) to approve the issue of debentures of the Company;
- (6) to pass resolutions on the issues including consolidation, split, dissolution, liquidation and change of corporate form of the Company;
- (7) to amend the Articles of Association;
- (8) to approve the appointment or dismissal of the accounting firm engaged in the Company's audit, as well as its remuneration;
- (9) to consider the purchases and disposals of significant assets within one (1) year exceeding 30% of the latest audited total assets of the Company;
- (10) to consider and approve changes in the use of proceeds;
- (11) to consider share incentive plans and employee stock ownership plans;

- (12) to consider other issues that shall be determined by the General Meeting as stipulated by the laws, administrative regulations, departmental rules, the Articles of Association and securities regulatory rules of the place where the Company's shares are listed.

The General Meeting may authorize the Board to make a resolution on the issuance of corporate bonds. The issuance of corporate bonds resolved by the General Meeting or authorized by the General Meeting to be resolved by the Board shall be carried out in compliance with the laws, administrative regulations, and securities regulatory rules of the place where the Company's shares are listed.

Save as otherwise provided by the laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed, the powers of the General Meeting as mentioned in paragraph 1 of this Article shall not be exercised by the Board or other institutions or individuals by way of authorization.

Article 49

The Company shall not provide any guarantee to any third parties other than its wholly-owned subsidiaries and controlled subsidiaries.

Article 50

Guarantees provided by the Company for its wholly-owned subsidiaries and controlled subsidiaries shall be submitted to the Board for consideration and approval.

Article 51

The General Meeting is divided into annual General Meeting and extraordinary General Meeting. Annual General Meeting, held once a fiscal year, shall be held within six months after the end of the last fiscal year.

Article 52

Under the following circumstances, an extraordinary General Meeting shall be held by the Company within two (2) months:

- (1) The number of Directors is less than five;
- (2) The accumulated losses amounted to one-third of the total paid-in share capital;
- (3) Shareholders solely or collectively holding more than 10% (excluding proxy voting rights) of the total shares of the Company request;
- (4) The Board considers necessary;
- (5) The audit committee proposes to convene;
- (6) Other circumstances as prescribed by the laws, regulations, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 53

The Company has formulated the "Rules of Procedure for General Meeting of IRICO Group New Energy Company Limited" (the "Rules of Procedure for General Meeting"). The procedures for convening, holding, and voting at General Meetings shall be governed by the Rules of Procedure for General Meeting.

The Rules of Procedure for General Meeting, as an appendix to the Articles of Association, shall have the same legal effect as the Articles of Association.

CHAPTER 5 PARTY COMMITTEE

Article 54

In accordance with the Constitution of the Communist Party of China, the Constitution of the Communist Party of China and the Regulations on the Work of Communist Party Grassroots Organizations of the State-owned Enterprises (Trial Implementation) (《中國共產黨國有企業基層組織工作條例(試行)》), etc., and with the approval of higher-level Party organizations, the Company has established the Committee of the Communist Party of China of IRICO Group New Energy Company Limited* (the “Party Committee of the Company”). Meanwhile, the Company has also established the Discipline Inspection Commission of the Communist Party or discipline inspection members (the “Discipline Inspection Commission of the Company”) according to the relevant requirements.

The Party Committee of the Company shall be elected by the Party member congress or Party member representative congress, generally with each term of office of five (5) years. Regular re-election shall be conducted upon the expiration of the term of office. Each term of office of the Discipline Inspection Commission of the Company shall be the same as the Party Committee.

The Party Committee of the Company consists of one secretary and several other members. The secretary shall be the Chairman or the general manager.

Article 55

The Party Committee of the Company shall play a leading role, provide the directions, manage the overall situation, promote the implementation and discuss and make decisions on major issues of the Company in accordance with relevant regulations. The principal duties of the Party Committee of the Company include:

- (1) Strengthen the Party’s political construction, adhere to and implement the fundamental, basic and important systems of socialism with Chinese characteristics, as well as educate and guide all Party members to maintain a high degree of consistency with the Party Central Committee with Comrade XI Jinping as the core in terms of political stance, political direction, political principles and political path;
- (2) Thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, learn and publicize the theories of the Party, carry out the lines, principles and policies of the Party, supervise and ensure that the major decisions and deployment of the Party Central Committee and the resolutions of higher-level Party Committee are implemented in the Company;

- (3) Consider and discuss the major operational and management issues of the Company, and support the Board and the management in performing their duties in accordance with laws;
- (4) Strengthen the leadership and gate keeping role in the selection and appointment of personnel of the Company and enhance the building of the leading team, cadre and talents team of management of the Company;
- (5) Assume the primary responsibility of the Company to build a fine Party culture and a corruption-free Party, support the discipline inspection organizations to fulfil their supervisory and disciplining responsibilities as well as exercise strict administrative disciplines and political rules, and promote Party self-governance exercised fully and with rigor into the grassroots level;
- (6) Strengthen the building of grassroots Party Committee and Party member team, and unite and lead officials and employees to devote themselves into the reform and development of the Company;
- (7) Lead the spirit and civilization construction and the united front work of the Company, as well as lead mass organizations such as the Labor Union, Communist Youth League and women's organization of the Company;
- (8) Discuss and decide other important matters within the scope of duties of the Party Committee.

Article 56

The Party Committee of the Company shall formulate a list of matters for research and discussion based on the actual conditions of the enterprise, clarifying the responsibilities and authorities of the Party Committee and other governance bodies such as the Board and the management. Major operational and management matters must undergo preliminary research and discussion by the Party Committee before being decided by the Board and other bodies in accordance with their respective powers and prescribed procedures.

Article 57

The Company shall adhere and improve the leadership mechanism of "Dual Entry and Cross Appointment". Eligible members of the Party Committee are allowed to join the Board and the management through legal procedures. Eligible members in the Board and the management are allowed to join the Party Committee in accordance with relevant provisions and procedures.

CHAPTER 6 DIRECTORS AND THE BOARD

Section 1 General Provisions for Directors

Article 58

The Directors shall be natural persons and not be required to hold shares of the Company.

The Directors include executive Directors, non-executive Directors, independent non-executive Directors, and employee Directors.

Article 59

A person shall be disqualified from being a Director of the Company in any one of the following circumstances:

- (1) the individual has no civil capacity or restricted civil capacity;
- (2) a person of less than five (5) years has elapsed since the conviction of corruption, bribery, unauthorized appropriation of properties, embezzlement of properties or disrupting order of the socialist market economy; or a period of less than five (5) years has elapsed since being deprived of political rights for commission of offences and granted probation, and a period of less than two (2) years has elapsed since the completion of the probationary period;
- (3) a period of less than three (3) years has elapsed since the completion of the liquidation of any company or enterprise which was insolvent and where the person acted as a Director or factory manager, manager of such company or enterprise and was personally liable for such insolvency;
- (4) a period of not less than three (3) years has elapsed since revocation of the business license of or being ordered to close a company or enterprise due to illegal business operations where the person was the legal representative of such company or enterprise and for which he was personally liable;

- (5) the person is personally liable for a substantial loan which was due for payment but remains unpaid and is designated as a discredited person subject to enforcement by the People's Court;
- (6) Other matters as stipulated by the laws, administrative regulations, departmental rules, or securities regulatory rules of the place where the Company's shares are listed.

For any election and appointment of a Director in contravention of the provisions prescribed by this Article, such election, appointment or employment shall be void and null. Where a Director falls into any of the aforesaid circumstances in his/her term of office, such Director shall be removed from office with his/her duties ceased.

Article 60

The term of office for Directors is three (3) years, and they may be eligible for re-election upon the expiry of the term of office.

Non-employee Directors shall be elected or changed at a General Meeting, and can be removed before maturity of the term of office at a General Meeting.

The term of office of Directors shall commence from the date of appointment up to the maturity of the current term of office of the Board. In the event that the terms of Directors fall upon maturity whereas the members of the Board are not re-elected in time, the existing Directors shall continue to perform their duties in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until the re-elected Directors assume their office.

Article 61

Directors shall observe the provisions of laws, administrative regulations and the Articles of Association with the obligations of loyalty to the Company, take measures to avoid conflicts between their own interests and the Company's interests, and must not abuse their authority to seek improper benefits.

The Directors shall fulfill the following obligations of loyalty to the Company:

- (1) shall not embezzle the Company's property or misappropriate the Company's funds;
- (2) shall not deposit funds of the Company into accounts held in their own names or in the name of any other individual;

- (3) shall not exploit his position to accept bribes or other illegal income;
- (4) shall not enter into contracts or transactions with the Company directly or indirectly without reporting to the Board or the General Meeting and being approved by a resolution of the Board or the General Meeting;
- (5) shall not, take advantage of his/her position to seek business opportunities that belong to the Company for himself/herself or for any other person, except when it is reported to the Board or the General Meeting and approved by a resolution of the General Meeting, or when the Company is unable to utilize the business opportunity in accordance with the laws, administrative regulations or the provisions of the Articles of Association;
- (6) shall not operate business similar to the Company's for himself/herself or for any other person without reporting to the Board or the General Meeting and being approved by a resolution of the General Meeting;
- (7) shall not accept commissions for transactions between others and the Company as their own;
- (8) shall not disclose the Company's secrets without authorization;
- (9) shall not make use of their related-party relationship to damage the Company's interests;
- (10) shall have other duties of loyalty prescribed by laws, administrative regulations, departmental rules, securities regulatory rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Any income obtained by a Director in violation of this article shall belong to the Company; if losses are caused to the Company, the Director shall be liable for compensation.

The provisions of item (4) of paragraph 2 in this article shall apply to contracts or transactions entered into with the Company by close family members of the Directors and senior management members, enterprises directly or indirectly controlled by the Directors and senior management members or their close family members, and associates who have other affiliations with the Directors and senior management members.

Article 62

The Directors shall comply with the laws, administrative regulations and the Articles of Association and shall diligently perform their obligations to the Company, and shall fulfill their obligations with reasonable care generally due to managers in the best interests of the Company.

The Directors shall diligently perform their following obligations to the Company:

- (1) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company's commercial activities are in compliance with the laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business license;
- (2) to treat all shareholders fairly;
- (3) to understand the operation and management of the Company in a timely manner;
- (4) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;
- (5) to provide all relevant information and materials required by the audit committee and shall not intervene the performance of duties of the audit committee;
- (6) to perform other obligations of diligence stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Article 63

A Director shall be deemed incapable of performing his/her duties if he/she fails to attend two consecutive meetings of the Board either personally or by appointing other Directors to attend on his/her behalf. The Board shall make a proposal to the General Meeting to remove such a Director.

Article 64

A Director may resign before expiry of his/her term of service. A Director shall submit a written resignation notice to the Company when he/she resigns, and the notice shall take effect on the date on which the Company receives the resignation notice. If number of the member of Directors falls below the minimum statutory requirement due to a Director's resignation, the former Directors shall still perform their duties as Directors in accordance with the requirements of the laws, administrative regulations, departmental rules, securities regulatory rules of the stock exchange where the Company's shares are listed and the Articles of Association until an elected Director assumes his/her office.

Any person appointed by the Board to fill up a casual vacancy or as an addition to the Board shall hold office only until the next annual General Meeting of the Company, and shall then be eligible for re-election.

Article 65

The Company has established a director departure management system, clearly specifying safeguard measures to pursue accountability and compensation for unfulfilled public commitments and other outstanding matters. When a Director's resignation becomes effective or his/her term of office expires, he/she shall complete all handover procedures with the Board. The fiduciary duties borne by the Directors to the Company and its shareholders shall not necessarily cease after expiry of the term of his/her tenure, but shall remain valid for a reasonable period as stipulated in the Articles of Association.

The liability that a Director should bear due to the performance of his/her duties during the term of office shall not be waived or terminated due to his/her departure.

Article 66

The General Meeting may remove a Director by an ordinary resolution, with the removal taking effect on the date the resolution is adopted.

If a Director is removed from office before the expiration of his/her term without justifiable reasons, the Director may demand compensation from the Company.

Article 67

Unless otherwise duly authorized by the Board, no Director shall act on behalf of the Company or the Board in his/her personal capacity. When a Director acts in his/her personal capacity, and a third party may reasonably believe that such Director is acting on behalf of the Company or the Board, the Director shall declare his/her stance and capacity in advance.

Article 68

Where a Director causes damage to others when carrying out his/her duties, the Company shall be liable for compensation; where a Director acts with willful or material default, he/she shall also be liable for compensation.

If a Director breaches the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association when carrying out his/her duties and causes loss to the Company, he/she shall be liable for compensation.

Section 2 Independent Non-executive Directors

Article 69

The Company shall appoint independent non-executive Directors. Except as otherwise provided in this section, the provisions of the Articles of Association concerning the qualifications and obligations of Directors shall apply to independent non-executive Directors. The independent non-executive Directors shall diligently perform their duties in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. They shall play the roles in the Board by participating in the decision-making, supervising, checking and balancing, and professional consulting, safeguard the interests of the Company as a whole, and protect the lawful rights and interests of minority shareholders.

Article 70

Independent non-executive Directors shall maintain their independence, and the following persons shall not serve as independent non-executive Directors:

- (1) persons working for the Company or its subsidiaries, their spouses, parents and children, and major social relations;
- (2) natural person shareholders who directly or indirectly hold more than 1% of the Company's issued shares or who are among the Company's top ten shareholders, and their spouses, parents and children;
- (3) persons who work for shareholders who directly or indirectly hold more than 5% of the Company's issued shares or who work for the Company's top five shareholders, and their spouses, parents, and children;
- (4) persons serving in the subsidiaries of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;

- (5) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in entities with which they have significant business dealings and their controlling shareholders or de facto controllers;
- (6) persons providing financial, legal, consulting and sponsorship and other services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries; including, but not limited to, all members of the project team of the intermediaries providing the services, reviewers at all levels, persons signing the report, partners, Directors, senior management members and principals;
- (7) persons who have been in the situations listed in the items (1) to (6) of the preceding article within the last twelve months;
- (8) persons who are not independent as stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The subsidiaries of the Company's controlling shareholder and de facto controller as referred to in items (4) to (6) of the preceding article do not include those companies which are controlled by the same state-owned asset administration institution and the Company does and do not have a connected relationship with the Company in accordance with the relevant regulations.

Independent non-executive Directors shall conduct an annual self-assessment of their independence and submit the results to the Board. The Board shall annually evaluate the independence of incumbent independent non-executive Directors and issue a specific opinion, which shall be disclosed concurrently with the annual report.

Article 71

A person to serve as an independent non-executive Director of the Company shall meet the following conditions:

- (1) being qualified to serve as a Director of the Company in accordance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and other relevant provisions;
- (2) meeting the independence requirements stipulated in the Articles of Association;
- (3) having basic knowledge of the operation of listed companies and being familiar with relevant laws, regulations and rules;

- (4) having at least five years of legal, accounting or economic work experience necessary to perform the duties of an independent non-executive Director;
- (5) having good personal morality, with no bad record such as major dishonesty, etc.;
- (6) other conditions stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 72

As members of the Board, the independent non-executive Directors owe fiduciary duties and diligence to the Company and all shareholders, and prudently fulfill the following duties:

- (1) to involve in the decision-making of the Board and provide explicit opinions on the matters discussed;
- (2) to supervise matters that indicate potential material conflict of interest between the Company and its controlling shareholders, de facto controllers, Directors and senior management so as to protect the legitimate interests of minority shareholders;
- (3) to provide professional and objective advice on the Company's operation and development, thereby facilitating improvement in the standard of the decisions of the Board;
- (4) other duties stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 73

The independent non-executive Directors exercise the following special functions and powers:

- (1) independently engage intermediaries to audit, provide consultation on or verify specific matters of the Company;
- (2) proposing to the Board with respect to the convening of extraordinary General Meetings;
- (3) proposing the convening of Board meetings;

- (4) openly soliciting shareholders' rights in accordance with the law;
- (5) expressing independent opinions on matters that may harm the interests of the Company or its minority shareholders;
- (6) other powers and functions as provided by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Any exercise of the powers as referred to in items (1) to (3) of the preceding article by the independent non-executive Directors shall be approved by a majority of all the independent non-executive Directors.

Section 3 Employee Directors

Article 74

In order to enhance the democratic management of the Company and safeguard the legitimate rights and interests of employees, the Company shall appoint employee Directors in accordance with the provisions of the Company Law.

Article 75

Employee Directors shall establish a labor relationship with the Company and hold positions within the Company, but shall not serve as senior management members of the Company.

Article 76

Employee Directors shall be democratically elected or replaced by the Company's employees in accordance with relevant procedures.

Article 77

The term of office for employee Directors shall be the same as that of the current Board, and they may be re-elected.

Section 4 Board of Directors

Article 78

The Company shall establish a Board, which shall be accountable to the General Meeting.

The Board 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 shall have one (1) Chairman, elected by a majority vote of all Directors.

Article 79

The Board shall have the following powers and duties:

- (1) to convene General Meeting and to report on its work to the General Meeting;
- (2) to implement resolutions of the General Meeting;
- (3) to determine the business plans and investment proposals of the Company;
- (4) to prepare plans for profit distribution and plans for making up losses for the Company;
- (5) to formulate the Company's plans for the increase or reduction of capital, issue of debentures, or other securities and listing of the Company;
- (6) to formulate proposals on major acquisitions, share buybacks, disposal of treasury shares, or amalgamation, demerger, dissolution and changes in corporate structure of the Company;
- (7) to decide on matters including the Company's external investments, acquisition and disposal of assets, asset pledges, external guarantees, entrusted asset management, related-party transactions, and external donations within the scope of authorization granted by the General Meeting;

- (8) to decide on guarantee matters for wholly-owned subsidiaries and controlled subsidiaries of the Company;
- (9) to decide on the internal management structure of the Company;
- (10) to decide on the appointment or dismissal of the general manager and Board secretary of the Company, and determine their remuneration and reward/punishment issues; to decide on the appointment or dismissal of other senior management members such as assistant general manager and chief financial officer based on the nomination by the general manager, and determine their remuneration and reward/punishment issues;
- (11) to formulate the basic management system of the Company;
- (12) to formulate proposals for amendments of the Articles of Association;
- (13) to manage the Company's information disclosure matters;
- (14) to propose to the General Meeting the appointment or replacement of the accounting firm for the Company's audit;
- (15) to listen to the work report of the Company's general manager and inspect the work of the management team;
- (16) any other authorities granted by laws, administrative regulations, departmental rules, securities regulatory rules of the stock exchange where the Company's shares are listed, the Articles of Association, or the General Meeting.

Matters beyond the scope authorized by the General Meeting shall be submitted to the General Meeting for consideration.

Article 80

The Board of the Company shall explain to the General Meeting regarding the non-standard auditors' advice given by a certified accountant in respect of the financial report of the Company.

Article 81

The Chairman shall have the following powers and duties:

- (1) to preside over the General Meeting and to convene and preside over the meeting of the Board;
- (2) to supervise and examine the implementation of the resolutions of the Board;
- (3) other powers conferred by the Board.

The Board shall not delegate to the Chairman any authority that is legally vested in the Board.

Article 82

Should the Chairman unable to perform his/her duties or fail to perform his/her duties, one (1) Director of the Company shall be elected by more than half of the Directors to perform the duties.

Article 83

The Company has formulated the Rules of Procedure for the Board of Directors of IRICO Group New Energy Co., Ltd. (hereinafter referred to as the “Rules of Procedure for the Board of Directors”). The procedures for convening, holding, and voting at Board meetings are stipulated in the Rules of Procedure for the Board of Directors.

The Rules of Procedure for the Board of Directors, as an appendix to the Articles of Association, shall have the same force and effect as the Articles of Association.

Section 5 Special Committees of the Board

Article 84

The Board shall establish the audit committee to exercise the supervisory powers of the supervisory committee as stipulated in the Company Law and the powers prescribed in the Main Board Listing Rules.

The audit committee shall be mainly responsible for reviewing the Company's financial information and its disclosure, as well as supervising and evaluating the internal and external audits and internal control.

Article 85

The Board shall establish strategy, nomination, and remuneration and appraisal committees, which shall perform their duties in accordance with the Articles of Association and the authority delegated by the Board. Proposals from the special committees shall be submitted to the Board for review and decision. The Board shall be responsible for formulating the working procedures of the special committees. The composition and powers of the special committee members shall comply with the relevant requirements stipulated by laws, administrative regulations, departmental rules, the Main Board Listing Rules, the regulations of other securities regulatory rules of the place where the Company's shares are listed or relevant regulatory authorities.

Section 6 Secretary to the Board of the Company

Article 86

The Company shall have one Secretary to the Board. The Secretary is a senior management member of the Company and shall be accountable to the Board.

Article 87

The Secretary to the Board shall possess the requisite professional knowledge and experience, which shall be appointed or dismissed by the Board. His/her primary responsibilities shall be:

- (1) to be responsible for preparing the General Meeting and Board meeting of the Company;
- (2) to ensure that the Company has complete organizational documents and records;

- (3) to ensure the Company prepares and submits the required reports and documents to the competent authorities according to the law, handles information disclosure matters;
- (4) to ensure that the register of shareholders are adequately set up and kept, and to ensure that persons who have the right to obtain the Company's relevant records and documents can promptly obtain these records and documents;
- (5) other duties required by the Articles of Association and the securities regulatory rules of the places where the shares of the Company are listed.

Article 88

Directors and other senior management members of the Company, may be appointed as the Secretary to the Board. Any accountants of the accountants firm appointed by the Company shall not be appointed as the Secretary to the Board.

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

CHAPTER 7 SENIOR MANAGEMENT MEMBERS

Article 89

The Company shall have one general manager whose appointment or dismissal shall be decided by the Board.

The Company shall have one chief financial officer and several assistant general managers who shall be nominated by the general manager, and appointed or dismissed by the Board's decision.

Article 90

The provisions of the Articles of Association regarding the circumstances under which one may not serve as a Director and the management system for resignation shall also apply to senior management members.

The provisions of the Articles of Association regarding the obligations of loyalty and the obligations to act honestly of Directors shall also apply to senior management members.

Article 91

Personnel serving in administrative positions other than Directors or supervisors at the controlling shareholder of the Company shall not serve as senior management members of the Company.

Senior management members of the Company shall only receive salaries from the Company and shall not be paid by the controlling shareholder.

Article 92

The term of office of the general manager, deputy general manager, chief financial officer and other senior management members shall be three years and they may be reappointed.

Article 93

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

- (1) to be responsible for the production and management of the Company, to organize the implementation of the resolutions of the Board, and report to the Board;
- (2) to organize the implementation of the annual business plans and investment proposals of the Company;
- (3) to prepare proposals for the internal management structure of the Company;
- (4) to prepare the management systems of the Company;
- (5) to draft the detailed regulations of the Company;
- (6) to propose to the Board the appointment or dismissal of the deputy general manager, the chief financial officer, the Secretary to the Board and other senior management members of the Company;

- (7) to decide on the appointment or removal of managers other than those whose appointment or removal is decided by the Board;
- (8) consider and approve general connected transactions other than those that need to be submitted to the Board or the General Meeting for approval according to the Articles of Association;
- (9) consider and approve other major transactions, external investments, external guarantees and other matters other than those that need to be submitted to the Board or the General Meeting for approval according to the Articles of Association;
- (10) decide on the establishment of wholly-owned subsidiaries, controlled subsidiaries and branches of the Company;
- (11) other duties authorized by the Articles of Association, the securities regulatory rules in the place where the Company's shares are listed or the Board.

The general manager shall preside at the Board meetings.

Article 94

The Company shall formulate the working rules of the general manager, to be executed upon approval by the Board.

The working rules of the general manager shall include the following:

- (1) the condition, procedure and attendees of the general manager meeting;
- (2) the respective job description and division of labor of general manager and other senior management members;
- (3) the application of Company's funds and assets, authority on signing of major contracts, and reporting system to the Board;
- (4) other matters that the Board deems necessary.

Article 95

The general manager may resign before the expiry of his/her terms of office. The detailed procedure and methods in relation to the resignation of the general manager shall be referred to the labor contracts entered into between such manager and the Company.

Article 96

Where the senior management causes damage to others during the performance of his/her duties, the Company shall be liable for compensation; where the senior management acts with willful or material default, he/she shall also be liable for compensation.

The senior management members shall be liable for any losses caused to the Company by their breach of any laws, administrative regulations, departmental rules and regulations or the Articles of Association in performing their duties for the Company.

Article 97

The senior management members of the Company shall fulfill their duties honestly, protect the best interests of the Company and all the shareholders.

The senior management members of the Company shall be liable for compensation in accordance with law for any damage caused to the interests of the Company and public shareholders as a result of their failure to perform duties with honesty or violation of their fiduciary duties.

CHAPTER 8 FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial Accounting System

Article 98

The Company shall formulate the financial and accounting system of the Company in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and regulations of relevant national departments.

The Company shall prepare annual financial accounting reports within four months from the end of each financial year and interim financial accounting reports within three months from the end of the first six months of each financial year.

The above financial accounting reports are prepared and issued in accordance with the relevant laws, administrative regulations, departmental rules, the Main Board Listing Rules and regulations of other securities regulatory rules of the place where the Company's shares are listed.

Article 99

At the annual General Meeting, the Board of the Company shall submit to shareholders the financial reports prepared by the Company as required by the relevant laws, administrative regulations and mandatory documents promulgated by the local government and other governing authorities.

Article 100

The financial reports of the Company shall be deposited at the Company for inspection by its shareholders not later than twenty (20) days before the annual General Meeting. Each Shareholder of the Company shall be entitled to receive the financial statements referred to in this article.

The Company shall provide shareholders with the aforementioned reports together with the balance sheet (including all accompanying documents that are required according to the laws and administrative regulations of the PRC) and profit and loss account or income and expenditure account and Directors' report not later than twenty-one (21) days prior to the date of an annual General Meeting. Subject to compliance with laws, administrative regulations, departmental rules and relevant rules of the securities regulatory authority at the place where the Company's shares are listed, the Company may make such disclosures by means of announcement, including publication on the Company's website.

Article 101

The financial statements of the Company shall be prepared in accordance with the PRC accounting standards and regulations.

Article 102

The interim/annual results or the financial information to be published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations.

Article 103

The Company shall not have other books of account other than the statutory books of account. The fund of the Company shall not be deposited in any account opened under a personal name.

Article 104

When distributing after-tax profits of the year, the Company shall set aside 10% of its after-tax profits for the Company's statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached 50% or more of the Company's registered capital, the Company needs not make any further allocations to that fund.

Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding year, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve in accordance with the preceding paragraph.

Subject to a resolution passed at a General Meeting, after allocation has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.

Except for those not distributed in proportion as prescribed in the Articles of Association, the remaining after-tax profit, after recovery of losses and appropriation of statutory reserve funds, shall be distributed to shareholders in proportion to their shareholdings.

If the General Meeting distributes profits to shareholders in violation of the Company Law, the shareholders must refund to the Company the profits distributed in violation of the provision. If losses are caused to the Company, the shareholders and responsible Directors and senior management shall bear liability for compensation.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

The Company is required to appoint one or more receiving agent(s) in Hong Kong for shareholders of H shares. The receiving agent(s) shall receive and hold on behalf of such shareholders of H shares any dividends allocated to H shares and other amounts payable by the Company, and transmit such payments to such shareholders of H shares. The receiving agent(s) appointed by the Company shall satisfy the requirements under the laws and regulations and the securities regulatory rules of the places where the Company's shares are listed.

Article 105

The Company shall complete the distribution of dividends (or shares) within time required under securities regulatory rules of places where are listed after the General Meeting adopts a resolution on the profit distribution plan, or after the Board of the Company formulates a specific plan in accordance with the interim dividend conditions and cap for the following year considered and approved at the annual General Meeting.

Article 106

The reserve fund of the Company shall be used for making up for the loss, expansion of the production and operation or increase of registered capital of the Company.

When using the reserve fund to make up for the loss, the discretionary reserve fund and statutory reserve fund shall be used first; if the loss still cannot be made up, the capital reserve fund may be used in accordance with regulations.

When the statutory reserve fund is capitalized, the retained portion of the fund shall not be less than 25% of the registered capital of the Company before the capitalization.

Section 2 Internal Audit

Article 107

The Company shall implement an internal audit system. The Company's internal audit institution shall supervise and inspect the Company's business activities, risk management, internal controls, financial information, and other matters.

The Company shall clearly stipulate the leadership structure, duties and authorization, personnel allocation, finance support, audit results application, accountability and other matters in relation to internal audit.

The internal audit system of the Company shall be implemented and disclosed to the public upon approval by the Board.

Section 3 Appointment of Accountants Firm

Article 108

The Company shall appoint such accountants firm which has complied with the Securities Law for carrying out the audit for the accounting statements, net asset verification, and other relevant consultancy services. The term of appointment shall be 1 year and can be re-appointed.

Article 109

The decisions of the Company regarding the engagement, dismissal or non-renewal of an accountants firm shall be made by the General Meeting. The Board shall not appoint accountants firm before the approval of the General Meeting.

Article 110

The Company guarantees that it shall provide the appointed accountants firm with true and complete accounting proofs, accounting books, financial and accounting reports and other accounting information, and that it engages without any refusal, withholding and misrepresentation.

Article 111

The auditing fee of the accountants firm shall be determined by the General Meeting.

Article 112

In the event of any dismissal or non-renewal of an accountants firm by the Company, a notice shall be served to inform the accountants firm in advance. When the General Meeting of the Company votes on the dismissal of the accountants firm, the accountants firm has the right to express its opinion at the General Meeting.

Where an accountants firm proposes its resignation, it shall explain to the General Meeting whether there are any irregularities in the Company.

CHAPTER 9 STAFF DEMOCRATIC MANAGEMENT AND LABOR AND PERSONNEL SYSTEM

Article 113

The Company shall, in accordance with the laws and regulations, improve the democratic management system with the employees' representatives conference as the basis, promote the transparency of factory and business operations, and grant the employees the rights to be informed, participate, express views and supervise the operation. Major decisions should be made after listening to the opinions of the employees, and major issues involving the vital interests of the employees shall be considered by the employees' representatives conference or the employees' meeting. The employee representative director system should be adhered to and improved to safeguard the rights and interests of employees' representatives to participate in corporate governance in an orderly manner.

Article 114

The employees of the Company shall organize a trade union in accordance with the Trade Union Law of the People's Republic of China to carry out trade union activities and safeguard the legitimate rights and interests of the employees. The Company shall provide necessary conditions for the activities of the trade union.

Article 115

The Company shall abide by relevant national laws and administrative regulations on labor protection and production safety, implement relevant national policies, and safeguard the legitimate rights and interests of workers. In accordance with the relevant national laws, administrative regulations and policies on labor and personnel, the labor, personnel and wage systems shall be formulated in light of the needs of production and operation. The Company shall, based on its actual situation, implement selection and employment mechanisms that meet market-oriented requirements such as open recruitment of employees, election and competitive recruitment of managers, demotion and firing of incompetent employees. Meanwhile, the Company shall establish a competitive remuneration distribution system for key and core talents to optimize and make good use of medium and long-term incentive policies.

CHAPTER 10 NOTICE AND ANNOUNCEMENT

Section 1 Notice

Article 116

The Company shall give notice in the following ways:

- (I) by hand;
- (II) by mail;
- (III) by public announcement;
- (IV) by fax or e-mail;

- (V) subject to the law, administrative regulations and listing rules of the stock exchange of the places where the shares of the Company are listed, publishing announcement on the Company's website or such website designated by the Hong Kong Stock Exchange;
- (VI) by other means approved by the relevant regulatory agency of the listing place or as set out in the Articles of Association.

Article 117

Any notice given by way of public announcement by the Company shall be deemed to have been received by all relevant parties after the publication of such announcement.

Subject to the provisions set out in Rule 2.07A(4) of the Main Board Listing Rules and to the extent permitted under all applicable laws and regulations, a listed issuer must (i) send or otherwise make available the corporate communication to the relevant holders of its securities using electronic means, or (ii) make the corporate communication available on its website and the website of Hong Kong Stock Exchange (the issuer must set out on its website the manner in which (i) and/or (ii) is adopted for the dissemination of its corporate communication).

“Corporate communication” as mentioned in the preceding paragraph refers to any document issued or to be issued by the Company for the information or action of holders of any of its H shares or other person as required under the Main Board Listing Rules.

Where notices of the exercise of the powers/rights under the Articles of Association are to be given by way of public announcements, such announcements shall be published in such means as prescribed under the Main Board Listing Rules.

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

Article 118

The notice of a General Meeting convened by the Company shall be made by way of public announcements.

Article 119

The notice of a Board meeting convened by the Company shall be delivered by hand or by post, or by email, fax, telephone, SMS or other effective means.

Article 120

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

Section 2 Announcement

Article 121

The Company has designated the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's official website as the media for the publication of announcements and other information required to be disclosed by the Company. The Board has the right to decide to adjust the designated media for disclosure of information of the Company, but shall ensure that the designated media for disclosure of information comply with the relevant laws and regulations of Mainland China and Hong Kong, as well as the qualifications and conditions stipulated by the overseas regulatory authorities and the stock exchange of the places where the shares of the Company are listed.

CHAPTER 11 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 122

The merger of the Company may take the form of either merger by absorption or merger by new establishment.

In case of merger by absorption, a company absorbs any other company and the absorbed company shall be dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

Article 123

Where the consideration for the merger payable by the Company does not exceed 10% of the net assets of the Company, the merger is not subject to the approval of General Meeting, unless otherwise provided for in the Articles of Association.

Any merger of the Company not subject to the approval of General Meeting under the preceding paragraphs shall be subject to the resolution of the Board.

Article 124

In case of a consolidation of the Company, various parties involved shall sign the consolidation agreement and prepare the balance sheet and the property list. The Company shall, within ten (10) days upon passing the resolution for the consolidation, notify the creditors and publish an announcement in newspapers (or the National Enterprise Credit Information Publicity System) within thirty (30) days, and shall make an announcement on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's official website in accordance with the security regulatory rules of the place where the shares of the Company are listed.

The creditors shall have the right to request the Company to repay its debts or provide corresponding guarantees within thirty (30) days from the date of receiving the notice, and within forty-five (45) days from the date of the announcement for those who have not received the notice.

Article 125

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

Article 126

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

In case of a demerger by the Company, the balance sheet and the property list shall be prepared. The Company shall, within ten (10) days upon passing the resolution for the demerger, notify the creditors and publish an announcement in newspapers (or the National Enterprise Credit Information Publicity System) within thirty (30) days, and shall make an announcement on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's official website in accordance with the security regulatory rules of the place where the shares of the Company are listed.

Article 127

Unless a written agreement has been entered into by the Company and its creditors in relation to the repayment of debts before the demerger, the debts of the Company before the demerger shall be jointly assumed by the Company after the demerger.

Article 128

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

The Company shall notify its creditors within ten (10) days from the date of passing of the resolution for the reduction of registered capital and make an announcement in the newspaper r (or the National Enterprise Credit Information Publicity System) within thirty (30) days thereof, and shall make an announcement on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's official website in accordance with the security regulatory rules of the place where the shares of the Company are listed. The creditors shall have the right to request the Company to repay its debts or provide corresponding guarantees within thirty (30) days from the date of receiving the notice, and within forty-five (45) days from the date of the announcement for those who have not received the notice.

In case of any reduction in registered capital, unless otherwise provided by laws or the Articles of Association, the amount of capital contribution or shares shall be reduced correspondingly in proportion to the shareholding of the shareholders.

Article 129

Where the Company still incurs losses after making up its losses in accordance with paragraph 2 of Article 106 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not make distribution to its shareholders, nor exempt the shareholders from their obligation to make capital contribution or calls on shares.

The provisions of the paragraph 2 of Article 128 of the Articles of Association shall not apply to the reduction in the registered capital in accordance with the preceding paragraph. However, the Company shall make an announcement on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) in accordance with the security regulatory rules of the place where the shares of the Company are listed, and make an announcement in the newspaper (or the National Enterprise Credit Information Publicity System) within thirty (30) days from the date of the resolution on the reduction of its registered capital at the General Meeting.

Upon reduction of its registered capital in accordance with the provisions of the preceding two paragraphs, the Company shall not distribute profits until the cumulative amount of the statutory reserve fund and the discretionary reserve fund reaches 50% of the Company's registered capital.

Article 130

If the reduction of the registered capital is in violation of the Company Law or other relevant provisions, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the liable Directors and senior management shall be liable for compensation.

Article 131

When the Company issues new shares to increase its registered capital, shareholders do not have pre-emptive rights, unless otherwise stipulated in the Articles of Association or the General Meeting resolves that the shareholders shall have pre-emptive right.

Article 132

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

Where the Company increases or reduces its registered capital, an application for modification of registration shall be made to the company registration authority in accordance with the laws.

Section 2 Dissolution and Liquidation

Article 133

The Company shall be dissolved by reason that:

- (I) where the term of business provided in the Articles of Association is expired or other reasons for dissolution as specified in the Articles of Association occur;
- (II) where the General Meeting resolves to dissolve the Company;
- (III) where dissolution of the Company is necessary for the amalgamation or demerger;
- (IV) where the business license of the Company is revoked or the Company is ordered to close down or dissolved according to the laws;
- (V) in the event that there are serious difficulties with the operation and management of the Company and continuing the operation may seriously damage the interests of shareholders, whereas no further solution is available, the shareholders holding 10% of the voting rights of the Company may file a dissolution request with the People's Court for an order of dissolution.

Article 134

The Company may continue in existence by amending the Articles of Association or upon a resolution of the General Meeting under any of the circumstances prescribed in paragraph (I) or (II) of Article 133 of the Articles of Association and it has not distributed the assets to its shareholders.

Any amendment to the Articles of Association or resolution of the General Meeting under the preceding paragraph shall be subject to the consent of shareholders with two-thirds or more of the voting rights present at the General Meeting.

Article 135

Where the Company is dissolved under paragraph (I), (II), (IV) and (V) of Article 133 of the Articles of Association, it shall be liquidated. The Directors, who are the liquidation obligors of the Company, shall form a liquidation committee to commence the liquidation within fifteen (15) days from the date when the event of dissolution occurs.

The liquidation committee shall be composed of the Directors, unless it is otherwise provided for in the Articles of Association or otherwise elected by the General Meeting.

The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the Company or the creditors.

Article 136

The liquidation committee shall during the liquidation period perform the following duties:

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

Article 137

The liquidation committee shall notify the creditors within ten (10) days following its establishment and shall publish an announcement in newspapers (or the National Enterprise Credit Information Publicity System) within sixty (60) days, and make an announcement on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) in accordance with the security regulatory rules of the place where the shares of the Company are listed. Creditors should, within thirty (30) days after receipt of the notice, or for those who do not receive the notice, within forty-five (45) days from the date of the announcement, declare their claims to the liquidation committee.

When declaring their claims, creditors shall explain relevant particulars of their claims and provide supporting materials. The liquidation committee shall register the claims.

During the period when creditors declare their rights, no settlement shall be made to the creditors by the liquidation committee.

Article 138

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

The Company's assets, after payment of liquidation expenses, wages, social insurance premiums and statutory compensation of staff, outstanding taxes and debts of the Company, shall be distributed to the Company's shareholders in proportion of shares held by them.

During the liquidation period, the Company remains continuing but shall not carry out any business activities unrelated to the liquidation. The assets of the Company shall not be distributed to shareholders before the settlement of debts in accordance with the preceding article.

Article 139

If the liquidation committee discovers that after the liquidate the assets of the Company and preparation of the balance sheets and assets inventory of the assets of the Company are insufficient to repay its debts in full, it shall apply to the People's Court for bankruptcy liquidation according to the laws.

Upon the People's Court accepts an application for bankruptcy, the liquidation committee shall hand over the liquidation affairs to the bankruptcy administrator designated by the People's Court.

Article 140

Following the completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report and submit the same to the General Meeting or the People's Court for their approval. And the report shall be lodged with the Company's registration authority for cancellation of its registration.

Article 141

The members of the liquidation committee shall perform the duty of liquidation and have obligations of fidelity and diligence.

If the members of the liquidation committee are negligent in performing their liquidation duties and cause losses to the Company, they shall be liable for damages. If a creditor sustains a loss due to a willful act or gross negligence on the part of a member of the liquidation committee, such liquidation committee member shall be liable for damages.

Article 142

Where the Company is declared bankruptcy according to the laws, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

CHAPTER 12 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 143

Under any of the following circumstances, the Company shall amend the Articles of Association:

- (I) After the revision of the Company Law or relevant laws, administrative regulations or the security regulatory rules of the place where the shares of the Company are listed, the matters stipulated in the Articles of Association conflict with the revised laws, administrative regulations or securities regulatory rules of the place where the shares of the Company are listed;
- (II) The situation of the Company has changed, which is inconsistent with the matters recorded in the Articles of Association;
- (III) The General Meeting resolves to amend the Articles of Association.

Article 144

The amendment of the Articles of Association as adopted by resolution of the General Meeting which is subject to the approval of competent authorities shall be submitted to the competent authorities for approval. Where an amendment involves the registered particulars of the Company, registration for such alteration shall be made in accordance with the laws.

Article 145

The Board shall alter the Articles of Association in accordance with the resolution for alteration of the Articles of Association passed at the General Meeting and the review opinions from relevant competent authorities.

Article 146

Where the matters on the amendments to the Articles of Association constitute information that shall be disclosed under the laws, regulations and the security regulatory rules of the place where the shares of the Company are listed, the amendments shall be announced as required.

CHAPTER 13 SUPPLEMENTARY PROVISIONS

Article 147

In the Articles of Association of the Company, the terms “accountants firm” shall have the same meaning as “auditors” under the Main Board Listing Rules.

Article 148

Definitions:

- (I) Controlling shareholder refers to a shareholder who holds more than 50% of the total share capital of the Company; or a shareholder who holds less than 50% of the shares but holds voting rights sufficient to have a material impact on resolutions at the General Meeting; or other shareholders stipulated by the relevant laws, administrative regulations or the security regulatory rules of the place where the shares of the Company are listed.
- (II) De facto controller refers to a natural person, legal person or other organization being able to actually control the acts of the Company through investment relationships, agreement or any other arrangement.

(III) Connected relationship refers to a relationship between the Company's controlling shareholders, the actual controller, Directors, senior management members and enterprises directly or indirectly controlled by them, and any other relationships that may lead to the transfer of the Company's interests. However, state-controlled enterprises do not have connected relationship with each other merely because they are under the common control of the State.

Article 149

This Articles of Association is written in Chinese and the Articles of Association in any other language or different versions creates discrepancy, the Chinese version of the Articles of Association last approved by and registered with Xianyang Administration for Market Regulation shall prevail.

Article 150

“More than” and “within” and as referred to in these Articles are inclusive of the figure concerned, while “over”, “other than”, “below” and “above” referred herein are not inclusive of the figure concerned.

Article 151

In case of any conflict between these Articles and the laws, administrative regulations, any other relevant normative documents and listing rule of the place where the Company's shares are listed that are promulgated from time to time, such laws, administrative regulations, other relevant normative documents and listing rules of the place where the Company's shares are listed shall prevail.

Article 152

The Board of the Company shall be responsible for the interpretation of these Articles.

Article 153

The Appendixes to these Articles include the Rules of Procedure for General Meeting and the Rules of Procedure for the Board of Directors.

Article 154

These Articles shall take effect and be implemented from the date of approval by the General Meeting, and the original Articles shall be repealed on the same date.