Shanghai Dazhong Public Utilities (Group) Co., Ltd.
Articles of Association

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Article 7 The operating term of the Company: The Company is a company limited by shares which exists on a perpetual basis.

Article 8 The legal representative of the Company is the Chairman.

Article 9 The Company's total assets are divided into shares of equal par value and shareholders shall be accountable to the Company to the extent of their shareholding. The Company is liable for the debts of the Company with all of its assets.

Article 10 Commencing from the date when it becomes effective, the Articles of Association shall constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations of the Company and each shareholder and among the shareholders. The Articles of Association shall be binding on the Company and its shareholders, directors, supervisors and senior officers. Pursuant to the Articles of Association, a shareholder may take action against another shareholder, any directors, supervisors, managers and other senior officers of the Company. A shareholder may also take action against the Company, whilst the Company may take action against any of its shareholders, directors, supervisors, managers and other senior officers.

Article 11 "Other senior officer(s)" referred to in the Articles of Association include deputy managers, the Secretary to the Board and the Chief Financial Officer.

Article 12 The Company may invest in other businesses. Unless otherwise provided by law, the Company shall not become a contributor of joint and several liabilities for the debts of the investee companies.

Article 13 The Company shall establish Communist Party of China ("CPC") organization and conduct Party-related activi

Article 15 The business scope of the Company as legally registered is: networks of city-gas pipeline, clean energy, construction and operation of water supply plant, sewage treatment plant and water recycling plants, and relevant industrial investment, domestic business (except for special examination and approval requirements), asset restructuring, mergers and acquisitions and related business consulting, with affiliated branch (licensed operations with operating licenses). The final version is subject to the approval of the business registration department.

CHAPTER 3 SHARES

Section 1 Share Issuance

Article 16 All the shares of the Company shall be issued in the form of stocks.

Article 17 The shares of the Company shall be issued on the basis of openness, fairness and equity, and shall rank pari passu among each other in the same class.

Stocks of the same class issued at the same time shall be equal in issue price and shall be subject to the same issuance conditions. The same price shall be paid by any institution or individual for each share subscribed.

Article 18 Any and all stocks issued by the Company shall be denominated in Renminbi.

Article 19 Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Company and listed on the Stock Exchange of Hong Kong Limited (the "SEHK") are called H Shares. H Shares are approved and listed on the SEHK, of which nominal value are denominated in Renminbi and are subscribed for and traded in Hong Kong dollars.

The domestic shares issued by the Company are in the centralized custody of China Securities Depository and Clearing Corporation Limited Shanghai Branch. The H shares issued by the Company are mainly in the custody of trusteeship companies under the Hong Kong Securities Clearing Company Limited.

Shareholders of domestic shares and shareholders of H shares are shareholders of common shares and enjoy the same rights and assume the same obligations.

Article 20 With the approval from the securities regulatory authority under the State Council, the holders of domestic shares of the Company may transfer the shares held by them to foreign investors, and such shares can be listed and traded abroad. The listing and trading of such transferred shares on overseas stock exchange shall also comply with the regulatory procedures, rules, and requirements of the overseas securities market.

Article 21 With approval, the Company issued a total of 14,000,000 ordinary shares upon its incorporation. Upon incorporation, Shanghai Dazhong Taxi Company (as one of the promoters) subscribed for 5,000,000 shares, Shanghai Coalgas Company, Bank of Communications, Shanghai Pudong Branch and Shanghai Shenhua Electrical United Corporation (each as one of the promoters) subscribed for 1,000,000 shares, respectively, representing 57.14% of the total number of ordinary shares which may be issued by the Company.

Article 22 Before the issuance of H shares, the total number of shares of the Company was 2,467,304,675 shares. The share capital structure was: domestic shares, which accounted for 100% of the total share capital.

Article 23 After the partial exercise of the over-allotment option of the Company, the share structure of the Company is a total number of 2,952,434,675 issued ordinary shares, of which 2,418,791,675 shares are domestic shares (A shares) and 533,643,000 shares are foreign shares (H shares).

After the Company's increase of share capital by means of issuing new shares shall have been approved pursuant to the Articles of Association, the issuance thereof shall be conducted in accordance with the procedures set out by relevant laws, administrative regulations and rules and provisions of the securities regulatory body of the place of listing.

Article 26 The Company may reduce its registered capital. The reduction of the Company's registered capital shall be conducted in accordance with the procedures stipulated by the Company Law and other relevant rules and the Articles of Association.

Article 27 The Company may, in accordance with the procedures set out in laws, administrative regulations, departmental rules and the Articles of Association, repurchase its shares issued under the following circumstances:

(1) decreasing the registered capital of the Company;

(2) merging with other companies holding shares of the Company;

(3) Use the shares for employee stock ownership plan or equity incentives;

(4) shareholders objecting to resolutions of the general meeting concerning merger or division of the Company and requesting the Company to buy back their shares;

(5) use of shares for conversion of corporate bonds convertible to shares issued by the Company;

(6) the share buyback is necessary for the Company to maintain its Company value and protect its shareholders' equity interest;

(7) Other circumstances permitted by laws and regulations.

Upon the acquisition of its own shares by the Company pursuant to Article 27, in the case of item (1), the acquired shares shall be cancelled within ten days from the date of acquisition; in the case of item (2) or (4), the acquired shares shall be transferred or cancelled within six months; in the case of item (3), (5) or (6), the shares held in total by the Company after repurchasing shall not exceed 10% of the Company's total outstanding shares, and shall be transferred or cancelled within three years. The Company's general meeting of shareholders may authorize the board of directors or the relevant authorized person by the board of directors to determine the specific implementation plan for the Company to repurchase the shares of the Company in the circumstances of Article 27 hereof.

Upon the acquisition of its own shares, the Company shall perform their obligation of information disclosure according to the provisions of the Securities Law of the People's Republic of China and Hong Kong Listing Rules.

Section 3 Shares Transfer

Article 30 The Company's shares are freely transferable according to law.

Article 31 The Company shall not accept any of its shares as the subject matter of a pledge.

Article 32 The shares of the Company held by the promoters cannot be transferred within one (1) year after the incorporation of the Company. The shares issued before the initial public offering of shares cannot be transferred within one (1) year after the shares of the Company are listed for trading on the stock exchange.

Article 33 The directors, su

The shares or other securities with the nature of stock rights held by the aforesaid director, supervisor, manager, senior officer or natural-person shareholder include the shares or other securities with the nature of stock rights held by their spouse, parents and children or in the name of other's account.

If the Board of Directors fails to comply with the provisions of the first paragraph hereof, the shareholders shall have the right to require the Board of Directors to comply with the provisions within thirty (30) days. If the Board of Directors fails to comply with the provisions within the prescribed period, the shareholders, have the right, for the benefit of the Company and in their own names, to institute legal proceedings directly at a People's Court.

If the Board of Directors of the Company does not comply with the provisions of the first paragraph hereof, the responsible directors shall bear joint and several liabilities legally accordingly.

CHAPTER 4 SHAREHOLDERS AND THE GENERAL MEETING

Section 1 Shareholders

Article 34 The Company shall establish the shareholders' register based upon evidence provided by the Securities Registration Authority, which is sufficient evidence that shareholders hold shares in the Company. Subject to paperless issue and trading of the Company's stocks, provisions of this section apply to provisions of the securities regulatory body and stock exchange in the place of listing of stocks in the Company enacted otherwise.

A shareholder shall enjoy rights and assume obligations according to the class of shares held by them. Shareholders of the same class shall enjoy equal rights and assume the same obligations.

Article 35 The Board or the convener of a General Meeting shall fix a date as the date for the determination of share ownership required to convene a shareholders' general meeting, distribute dividends, liquidation of the Company and fds,Sct(ities)

(3) to supervise the operation of the Company, and to make suggestions and raise queries;

(4) to transfer, give or pledge shares in accordance with the provisions of laws, administrative regulations, and the Articles of Association;

(5) to inquire the Articles of Association, registers of shareholders, stubs of company bonds, the minutes of shareholders' meetings, resolutions of the board meetings, resolutions of the meetings of the Supervisory Committee and the financial accounting reports;

(6) participate in the distribution of the residual property of the Company on the basis of the number of shares held by them when the Company is terminated or liquidated;

(7) request the Company to buy back his shares if a shareholder opposes to the resolution of merger or division of the Company at the shareholders' general meeting;

(8) other rights stipulated by laws, administrative regulations and the Articles of Association.

Article 37 When a shareholder submits a request to inspect the information under the preceding Article, he/she shall present the proof of the type and number of shareholding in writing. The Company shall comply with the shareholder's request after verifying the shareholder's identity.

Article 38 If any resolution of a shareholders' general meeting or Board meeting is in violation of the laws and administrative regulations, the shareholders shall have the right to request the People's court to invalidate the said resolution.

If the meeting convening procedures and voting method of the shareholders' general meetings or Board meetings are in violation of the laws and administrative regulations or the Articles of Association or if the contents of any resolution are in breach of the Articles of Association, the shareholders shall have the right to request the People's court to cancel the said resolution within 60 days after the resolution has been made.

Article 39 If a director, a manager or other senior officer contravenes the provisions of the law, administrative regulations or the Articles of Association when carrying out/her his duties in the Company and resulting in losses to the Company, shareholders individually or collectively holding 1% of shares or more continuously for 180 days, can request the Supervisory Committee in writing to commence litigation at the People's Court. If the Supervisory Committee contravenes the provisions of the law, administrative regulations and the Articles of Association when carrying out its duties in the Company, resulting in losses to the Company, shareholders can request the Board of Directors in writing to commence litigation at the People's Court.

If the Supervisory Committee or the Board of Directors refuses to commence litigation after receiving the shareholders' written request or fails to commence litigation within 30 days of receiving the request, or the situation is so urgent that without commencing litigation immediately will cause irreparable losses to the Company, the shareholders under the previous paragraph may commence litigation in their own names at the People's Court for the sake of the Company's interests.

If any person contravenes the legal interests of the Company and leads to the losses of the Company, a shareholder under the first paragraph can commence litigation at the People's Court in accordance with the two preceding paragraphs.

Article 40 If a director, a manager or senior officer contravenes the provisions of the law, administrative regulations or the Articles of Association, resulting in losses suffered by the shareholders, shareholders may commence litigation at the People's Court.

Article 41 Holders of ordinary shares of the Company shall have the following obligations:

(1) to abide by laws, administrative regulations and the Articles of Association;

(2) to pay subscription fees based on the shares subscribed by them and the method of capital contribution;

(3) not to give up those shares except as prescribed by laws or administrative regulations;

(4) not to abuse the shareholders' rights to damage the Company's or other shareholders' interests; not to abuse the independent legal personality of the Company and the limited liabilities of the shareholders to damage the interests of the creditors of the Company;

a shareholder, who abuses his/her shareholder's rights, resulting in losses suffered by the Company or other shareholders, shall compensate in accordance with the law.

Shareholders who abuse the independent legal personality of the Company and the limited liabilities of the shareholders, in order to escape from debts, thereby seriously damaging the interests of the Company's creditors, shall jointly and severally bear the Company's debts.

(5) Where shareholders with 10% or more of the Company's issued shares in separate or aggregated holdings continue to acquire the Company's shares and become the de facto controller, resulting in the resignation or dismissal of management personnel of medium or above level of the Company, the

shareholders shall pay one-off additional gratuities to the leaving management personnel, unless the leaving management personnel waive their rights in writing.

(6) Other obligations imposed by laws, administrative regulations and the Articles of Association.

Article 42 Where a shareholder holding 5% or more voting shares of the Company pledges any shares in his/her possession, he/she shall report the same to the Company in writing on the date when such pledge is made.

Article 43 The controlling shareholder or the de facto controller of the Company shall not use their connected relationship to prejudice the interests of the Company. In violation of such provisions, he/she shall be liable to compensate the Company for the losses thereof.

The controlling shareholder and the de facto controller of the Company have a duty of honesty towards the Company and the public shareholders of the Company. The controlling shareholder shall exercise his/her rights as a provider of capital strictly in accordance with the law. The controlling shareholder shall not make use of methods such as the distribution of profits, restructuring of assets, external investment, misappropriation of assets, borrowing, or providing guarantee, in order to damage the legal rights and interests of the Company and public shareholders, and he/she shall not make use of his/her controlling position to damage the interests of the Company and public shareholders.

Section 2 General Provisions of the General Meeting

Article 44 The general meeting is the organ of power of the Company and shall exercise the following powers:

(1) deciding on the business policies and investment plans of the Company;

(2) electing and replacing Directors and supervisors assumed by non-representatives of the employees and deciding on matters relating to the remuneration of the Directors and supervisors;

(3) examining and approving reports of the Board of Directors;

(4) examining and approving reports of the Supervisory Committee;

(5) examining and approving the Company's annual financial budget plan and final account plan;

(6) examining and approving the Company's plans for profit distribution and loss make-up;

(7) adopting resolutions on the increase or reduction of the Company's registered capital;

(8) adopting resolutions on issuance of bonds of the Company;

(9) adopting resolutions on matters such as merger, division, dissolution, liquidation and change of corporate form of the Company;

(10) amending the Articles of Association;

(11) adopting resolutions on the engagement or removal or discontinuation of engagement of accounting firms by the Company;

(12) examining and approving guarantees required in Article 45;

(13) examining and approving financial assistance required in Article 46;

(14) examining proposals on matters relating to the purchase or sale by the Company of material assets exceeding 30% of the latest audited total assets of the Company within one year;

(15) examining proposals on matters of changes in the use of funds raised;

(16) examining share incentive plans and employee stock ownership plans;

(17) considering proposals from shareholders representing 3% (inclusive) or more of the shares in the Company with voting rights;

(18) adopting resolutions on acquisition of shares of the Company as stipulated in paragraph (1) or (2) of Article 27 hereof;

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Article 47 The general meetings shall include annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year and shall be held within six months from the end of the preceding financial year.

The Company shall convene an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:

(1) the number of directors is less than the number as stipulated in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;

(2) the losses of the Company which have not been made up reach one-third of the total share capital;

(3) Upon request of shareholders holding 10% or more of shares in the Company either alone or in aggregate;

(4) whenever the Board considers necessary;

(5) when the Supervisory Committee proposes to convene a meeting;

Article 50 When holding a general meeting, the Company shall engage lawyers to

Where the Board of Directors agrees to hold an EGM, it shall give a notice of general meeting within 5 days of making of a board resolution, provided that any change to the original request contained in the notice shall be subject to the prior consent of related shareholders. Where the Board of Directors does not agree to convene an extraordinary general meeting, or does not respond within 10 days after receiving the request, ordinary shareholders (including preferred shareholders whose voting rights have been restored) holding more than 10% of the Company's shares individually or in aggregate have the right to propose to the Supervisory Committee to convene an extraordinary general meeting, and shall submit a request to the Supervisory Committee in writing.

If the Supervisory Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene a general meeting within 5 days of receiving the request. Changes to the original request set out in the notice shall be subject to the consents of relevant shareholders.

The failure of the Supervisory Committee to issue a notice of the shareholders' meeting within the prescribed time limit shall be deemed that the Supervisory Committee will not convene and preside over the shareholders' meeting. Ordinary shareholders (including preferred shareholders whose voting rights are restored) who individually ordtsnon

Section 4 Proposals and Notification of General Meeting

Article 57 The content of a proposal determined by general meeting shall have definite topics to be discussed and specific matters for resolution and shall be in compliance with laws, administrative regulations and the Articles of Association.

Article 58 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall have the right to propose resolutions to the Company.

Shareholder(s) individually or jointly holding more than 3% of the Company's shares may propose provisional proposals in writing to the convener(s) 10 days before the general meeting is convened. The convener (s) shall issue a supplementary notice of the general meeting within 2 days after receiving the proposals to announce the contents of the provisional proposals.

Except as provided in the preceding paragraph, after sending out a notice of general meeting, the convener(s) shall not make any amendments to the proposals included in the notice of general meeting or add any new proposals.

Proposals not set out in the notice of general meeting or not complying with the Articles of Association shall not be voted on or resolved by the general meeting.

Article 59 The notice of a general meeting shall include the followings:

(1) the time, venue and duration of the meeting;

(2) the matters and proposals submitted for consideration at the meeting;

(3) A conspicuous statement in writing that all ordinary shareholders (including preferred shareholders whose voting rights have been resumed) have the right to attend the General Meeting and engage proxies in writing to attend the meeting and take part in voting and that such proxies need not to be shareholders of the Company;

(4) specified record date for shareholders entitled to attend the general meeting;

The voting online or by any other means shall be started not earlier than 3:00 p.m. on the day before the on-the-spot general meeting is held and not later than 9:30 a.m. on the day when the on-the-spot general meeting is held, and shall be concluded not earlier than 3:00 p.m. on the day when the on-the-spot general meeting ends.

The interval between the date of record and date of meeting shall be no more than seven working days. The date of record shall not be changed once confirmed.

Subject to compliance with laws, regulations, normative documents and relevant provisions of the securities regulatory authority in the place of listing of the Company's stocks and fulfillment of relevant prescribed procedures, for holders of H shares, the Company may also give a notice of General Meeting by posting it on the website of the Company and the website designated by the HKSE or in such other manners allowed by the Hong Kong Listing Rules and these articles of association.

Article 60 Where the elections of Directors and supervisors are intended to be discussed at the general meeting, the notice of the general meeting shall sufficiently disclose the particulars of the candidates for Directors and supervisors, and shall include at least the following content:

(1) personal particulars such as education background, work experience and part-time job(s);

(2) whether the candidate has any related-party relationship with the Company, its controlling shareholders and de facto controllers;

(3) disclosures of the shareholdings in the Company;

(4) whether or not they have been penalized by CSRC or other related authorities and the stock exchange.

(5) Other information required to be disclosed according to the provisions of the securities regulatory authority in the place of listing of the Company's stocks and the HK Listing Rules.

Apart from Directors and supervisors elected through the cumulative voting system, each candidate for Director or supervisor shall be individually proposed.

Article 61 After issuance of the notice for the general meeting, the general meeting shall not be postponed or cancelled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of delay or cancellation, the convener shall make an announcement giving reasons at least 2 working days before the date when the meeting was originally scheduled for.

Section 5 Conduct of General Meeting

Article 62 The Board of Directors of the Company and other convener(s) shall take necessary measures to ensure the smooth running of the general meeting, including measures taken to deter any acts of intervening the general meeting, picking quarrels, provoking trouble and infringing of legal rights and interests of shareholders, and shall report them to the authorities for investigation and punishment on a timely basis.

Article 63 All shareholders on the register of shareholders on the shareholding record date or their proxies shall be entitled to attend the general meeting, and vote in accordance with the provisions of the relev

Article 65 The instrument issued by the shareholder to authorize another person to attend the general meeting shall state the following contents:

(1) name of the proxy;

(2) whether the proxy has voting rights;

(3) indication of consent, objection or abstention concerning each proposal to be resolved on the agenda of general meeting;

(4) date of signing of the instrument and term of validity;

(5) The signature (or seal) of the principal or agent appointed by it in writing according to the listing rules in the place of listing of stocks. Where the principal is a corporate shareholder, the power of attorney shall be affixed with the corporate seal or signed by one of its directors or duly authorized agent according to the listing rules in the place of listing of stocks. A proxy present at a General Meeting shall be deemed to constitute the corporate shareholder as attending the General Meeting in person.

Article 66 The proxy form shall state that if the shareholder does not give specific instructions, the proxy shall vote at his/her/its own discretion.

Article 67 Where the power of attorney for voting proxy is signed by another

Article 70 Where a general meeting is convened, all of the Company's Directors, supervisors and the Secretary to the Board shall attend the meeting, and managers and other senior officers shall be present to observe the meeting. Where the aforesaid persons are unable to attend the meeting, they may appoint another director or supervisor to attend the meeting on his/her behalf.

Article 71 The general meeting shall be convened by the Board of Directors and presided over by the chairman of the Board of Directors. Where the chairman of the Board of Directors is unable to discharge or fails to discharge his/her duties, the meeting shall be convened and presided over by the vice chairman of the Board of Directors (if there are two or more vice chairmen, the one elected by one half or more of the directors shall preside over the meeting). Where the board chairman and vice board chairmen are unable to attend the meeting, the meeting shall be presided over by a director jointly elected by half or more of directors.

The general meetings convened by the Supervisory Committee shall be presided over by the Chairman of the Supervisory Committee. Should the Chairman be unable to perform or fail to perform the duties, it shall be presided over by a supervisor elected by half or more of the supervisors.

For the general meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting.

In the event that the chairperson of the meeting violates the rules of procedures which results in the general meeting being unable to continue, upon approval by the shareholders representing more than half of the voting rights present at the meeting, a person may be elected to preside over the general meeting and the meeting shall continue.

Article 72 The Company shall formulate the rules of procedures for the general meeting and specify in details the procedures for convening and voting at the general meeting, including notification, registration, reviewing of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, public announcements as well as principle for the authorization granted to the Board by the general meeting, and the content of authorization shall be clear and specific. The rules of procedures for the general meeting shall be appended to the Articles of Association and shall be formulated by the Board and approved by the general meeting.

Article 73 In the annual general meeting, the Board and the Supervisory Committee shall report their work for the past year to the general meeting. Each independent non-executive director shall also present a work report.

Article 74 Directors, supervisors, managers and senior officers shall provide answers and explanations in response to queries and recommendations made by shareholders at the general meeting, provided that no trade secrets of the Company shall be discussed at the meeting.

Article 75 The presider of the meeting shall, prior to voting, announce the number of shareholders and proxies present at the meeting as well as the total number of voting shares they hold, which shall be that as indicated in the meeting's register.

Article 76 Minutes shall be prepared for general meetings by the Secretary to the Board. The minutes shall state the following contents:

(1) time, venue and agenda of the meeting and name of the convener;

(2) the name of the presider of the meeting and the names of Directors, supervisors, managers and other senior officers attending or present at the meeting;

(3) the numbers of shareholders and proxies attending the meeting, total number of voting shares they hold and the percentages to the total number of shares of the Company;

(4) the process of review and discussion, summary of any speech and voting results of each proposal;

(5) shareholders' questions, opinions or suggestions and corresponding answers or explanations;

(6) names of lawyers, vote counters and scrutinizer of the voting;

(7) other contents to be included as specified in the Articles of Association.

Article 77 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, supervisors, Secretaries to the Board, convener or his/her representative and the presider of the meeting shall sign on the minutes. The minutes shall be kept together with the attendance register, proxy forms and valid records on internet voting and other means of voting, for a period of 10 years.

Article 78 The convener shall ensure the general meeting goes on smoothly until final resolutions are made. Where the general meeting is suspended or unable to make any resolution due to any special reasons such as force majeure, necessary measures shall be taken to resume or terminate the general meeting as soon as possible, and an announcement shall be made in a timely manner. Meanwhile, the convener shall report it to the local office of the CSRC in the place where the Company operates and the stock exchange.

Section 6 Voting and Resolutions of General Meetings

Article 79 Resolutions of general meetings are in the form of ordinary resolutions and special resolutions.

An ordinary resolution of a general meeting shall be passed with the approval of half or more of the voting rights held or represented by the shareholders (including proxies) attending the meeting.

A special resolution of a general meeting shall be passed with the approval of two thirds or more of the voting rights held or represented by the shareholders (including proxies) attending the meeting.

Article 80 The following matters shall be adopted by way of ordinary resolutions at general meetings:

(1) work reports of the Board of Directors and the Supervisory Committee;

(2) profit distribution plans and loss recovery plans prepared by the Board of Directors;

(7) any other matters required by the laws, administrative regulations or the Articles of Association, and matters considered in an ordinary resolution adopted at a shareholders' general meeting having a material impact on the Company, and thus in need of approval by a special resolution.

Article 82 Shareholders (including proxies) shall exercise their voting rights according to the number of shares carrying voting rights they represent, with one vote for each share.

Where the significant matters influencing the interests of small and medium investors are considered at the general meeting, the voting by small and medium investors shall be independently counted. The independent counting results shall be promptly disclosed.

Shares of the Company held by the Company itself do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a Shareholders' General Meeting.

In case shareholders purchase shares carrying voting rights of the Company in violation of the first and second paragraph of Article 63 of the Securities Law, the voting rights over the shares exceeding the stipulated proportion shall not be exercised within 36 months after purchase, and such shares shall not be included into the total shares carrying voting rights at the general meeting.

The Board of Directors of the Company, independent non-executive Directors and shareholders who meet the relevant requirements, as well as the investor protection agencies established in accordance with laws, administrative regulations or the provisions of China Securities Regulatory Commission are entitled to solicit shareholders' voting rights. Information including the specific voting intention shall be fully disclosed to shareholders from whom voting rights are being solicited. It is prohibited to solicit voting rights from shareholders by offering consideration or consideration in disguised form. The Company shall not impose any limit on the minimum shareholding in respect of the soliciting voting rights except the statutory conditions.

Article 83 When connected transactions are being considered at a shareholders' general meeting, the connected shareholders shall abstain from voting, and the number of shares carrying voting rights represented by them shall not be counted in the total number of valid votes; The announcement on the resolutions of a general meeting shall fully disclose the voting results of non-connected shareholders.

If any shareholder shall abstain from voting on certain resolution in according to applicable laws and regulations and the listing rules in the place of listing of the Company's stocks, or such listing rules limit any shareholder to vote in favor of or against certain resolution, the voting which violates such requirement or limitation by such shareholder or his proxy shall not be included in the voting results.

Article 84 Unless under special circumstances, such as the Company is in crisis etc., without being approved by the shareholders' general meeting through special resolution, the Company shall not settle a contract that grants the management of all or important businesses of the Company to a person other than Directors, managers and other senior officers.

Article 85 List of Director and supervisor candidates shall be submitted in the form of proposals to the shareholders' general meeting for vote.

As to voting for the election of Directors and supervisors at the general meeting, cumulative voting system may be adopted in accordance with the provisions in the Articles of Association or resolutions to be passed at the shareholders' general meeting. The election of more than two independent non-executive directors at a General Meeting shall adopt the cumulative voting system.

The cumulative voting system as mentioned in the preceding paragraph means that in the election of directors or supervisors at the shareholders' general meeting, each share carries a voting right equivalent to the number of directors or supervisors to be elected. A shareholder may concentrate the voting rights. The Board shall notify shareholders of the biography and profile of the director and supervisor candidates.

Candidates for directors and supervisors of the Company are generally shareholders' representatives of the Company, senior officers of the Company or social celebrities. Candidates of directors or supervisors who are not staff representatives shall be nominated by the board of directors or the board of supervisors of last term of office and submitted to the general meeting for vote.

Article 86 Except for the cumulative voting system, the shareholders' general meeting shall vote on each proposal individually. Where there are different proposals on the same issue, voting should be carried out in the chronological order of the proposals raised. Except for special reasons such as force majeure causing suspension of the shareholders' general meeting or failure to reach a resolution, the shareholders' general meeting shall not set aside any proposal or have any proposal not voted.

Article 87 When considering a proposal at a shareholders' general meeting, no amendments shall be made to the proposal. Otherwise, any amendment made shall be considered as a new proposal and shall not be voted at that general meeting.

Article 88 One and the same vote can only be cast either onsite, online or in another voting manner. If there occurs repeated casting of one and the same vote, the results of the first voting shall prevail.

Article 89 Voting is conducted by open ballot at the Shareholders' General Meeting.

Article 90 Before the relevant proposal is voted on at a shareholders' general meeting, two representatives of the shareholders shall be appointed for counting the votes and scrutinizing the poll. Any shareholder who is related to the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the poll.

When the proposal is being voted on at the shareholders' general meeting, lawyers, the representatives of shareholders and representatives of supervisors shall be jointly responsible for counting the votes and scrutinizing the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting. Auditors of the Company, share registrars or external accountants who are qualified to act as auditors of the Company may act as the vote counters and the scrutineers.

Shareholders of the listed company or their proxies, who have cast their votes by network voting or by other means, have the right to check their voting results through the respective voting system.

Article 91 The on-site shareholders' general meeting shall not end earlier than the network meeting or meeting delivered through other means. The presider of the meeting shall announce the voting status and result for each proposal and announce whether a resolution is passed according to the voting result.

Before the voting result is officially announced, the listed company, counter, scrutineer, substantial shareholders, network services provider and other related parties involved in the on-site general meeting, network meeting or meeting delivered through other means shall keep in confidential the voting result.

Article 92 Shareholders who attend the general meeting shall take one of the following stances when a proposal is put forward for voting: to vote for, vote against or abstain from voting.

It is an exception when the securities registration and clearing institution makes declaration according to the will of the de fac

Article 93 Where the chairman of the meeting has any doubt as to the voting result of a resolution proposed for voting, he may request the votes to be counted. If the chairman of the meeting fails to have the votes counted, any shareholder or proxy attending the meeting who objects to the result announced by the chairman of the meeting may require immediately after the declaration that the votes be counted, the chairman of the meeting shall have the votes counted immediately.

Article 94 The announcement of the resolutions passed at the general meeting shall be timely published and specify the number of the shareholders and proxies attending the meeting, the total number of shares carrying voting rights held by them and the percentage of such shares in relation to the total number of shares of the Company carrying voting rights, the means of voting, the voting result of each resolution and the details of the resolutions passed.

Article 95 Where the proposed resolution is not passed, or the general meeting alters the resolution(s) passed at the previous general meeting, a special note shall be made in the announcement of the resolutions of the general meeting.

(III) Has been within less than three years of completion of bankruptcy liquidation of a company or enterprise subjected to bankruptcy liquidation, provided that such person served as a director or factory manager or general manager of the company or enterprise and was held personally responsible for the bankruptcy of the company or business;

(IV) Has been within less than three years of revocation of business license of a company or enterprise that has its business license revoked or is ordered to be shut down due to legal violations, provided that such person served as the legal representative of the company or enterprise and was held personally responsible for such legal violations.

(V) Has not repaid personal debts of substantial value when due;

(VI) Has been banned from securities market by CSRC and remains so; or

(VII) Falls into any other circumstances prescribed in laws, administrative regulations or departmental rules.

Election or appointment of any director in violation of provisions of this article shall be invalid. The Company will remove any director from his or her office if the director falls within any of the circumstances set forth above during his or her directorship.

Article 99 Directors shall be elected or replaced at a general meeting. The term of office of the Directors shall be three years and directors may serve consecutive terms if re-elected. The general meeting may, by an ordinary resolution, dismiss any Director before the expiry of his term of office (but without prejudice to such Director's right to claim damages based on any contract) on the condition that all the relevant laws and administrative regulations are fully complied with.

The tenure of a Director shall start from the date on which the said Director assumes office until the expiration of the term of the incumbent Board. In the event that re-election of Directors is not conducted on a timely manner upon expiration of the term of service of a Director, the incumbent Directors shall continue to perform their duties of Directors in accordance with laws, administrative regulations, department rules and requirements of the Articles of Association until incoming director assumes his office.

A director may be general manager or another senior executive, provided that the total number of directors who are general manager or other senior executives and directors who are employee representatives may not exceed half of all directors of the Company.

Article 100 Directors shall abide by laws, administrative regulations and the Articles of Association, and bear the following fiduciary duties to the Company:

(1) not taking advantage of his or her position to accept bribes or illegal income, and not appropriating property of the Company;

(2) not embezzling the funds of the Company;

(3) not opening an account in his or her own name or in the name of another individual and depositing the assets or funds therein of the Company;

(4) not breaching the Articles of Association by lending the funds of the Company to a third party or using the property of the Company to provide security for a third party without the consent of the general meeting or the Board of Directors;

(5) not entering into contracts or transactions with the Company in breach of the Articles of Association or without the consent of the general meeting;

(6) not using the advantages of his or her office to appropriate for himself/herself or for others, business opportunities which ought to belong to the Company or operate a business for his or her own account or on behalf of others which is of the same type as the Company's business without the consent of the general meeting;

(7) not accepting for himself/herself commissions in connection with the Company's transactions;

(8) not disclosing secrets of the Company without authorization;

(9) not using his or her connected relationships to harm the interests of the Company;

(10) other fiduciary duties specified in laws, administrative regulations, department rules and the Articles of Association.

Income derived by a Director in breach of this Article shall belong to the Company. If the Company sustains a loss as result of such breach, the Director shall be liable for the damages.

(4) signing written confirmation opinions on the regular reports of the Company so as to ensure that the information disclosed by the Company is true, accurate and complete;

(5) providing true information and data to the Supervisory Committee and not interfering with the Supervisory Committee or supervisors in the exercise of their functions and powers;

(6) other obligations of diligence specified in laws, administrative regulations, department rules and the Articles of Association.

Article 102 A Director who fails to attend a meeting of the Board of Directors in person, nor to appoint another Director to attend the meeting of the Board of Directors meeting on his behalf for two consecutive times, shall be deemed unable to discharge his duties. The Board of Directors shall put forward a proposal at the general meeting to replace such Director.

Article 103 Directors may resign before expiry of their terms of office. The Directors who resign shall submit to the Board of Directors a written report in relation to their resignation. The Board of Directors shall disclose such resignation within 2 days.

If the resignation of a Director causes the quorum of the Board of Directors to fall below the statutory minimum, the incumbent Director shall continue to perform his or her duties as a Director in accordance with laws, administrative regulations, department rules and the Articles of Association until the incoming Director assumes his or her position.

Except in the circumstance specified in the preceding paragraphs, a Director's resignation shall be effective upon his written resignation submitted to the Board of Directors.

In the event that any person is elected as a Director to fill a casual vacancy of, or as

Article 105 No Directors shall act, in their personal capacity, on behalf of the Company or the Board in contravention of provisions of this Articles of Association or without appropriate authorization by the Board. The Director(s) shall, when acting in his personal capacity, state his standings and identities in advance if a third party has reasons to believe that the said Director is acting on behalf of the Company or the Board.

Article 106 A Director who causes the Company to sustain a loss as a result of a violation of laws, administrative regulations, departmental rules or this Articles of Association during the performance of his duties shall be liable for the damages.

Article 107 Independent non-executive Directors shall comply with the relevant requirements of laws, administrative regulations and department rules.

Section 2 Board of Directors

Article 108 The Board of Directors established by the Company shall be responsible to the shareholders' general meeting.

Article 109 The Board of Directors shall be composed of 9 to 13 Directors and shall have one (1) chairman and three (3) to five (5) independent non-executive directors. One (1) or two (2) vice chairman/chairmen can be appointed.

Article 110 The Board of Directors exercises the following functions and powers:

(1) to convene the shareholders' general meeting and to report on its work to the shareholders in general meetings;

(2) to implement the resolutions adopted by the shareholders in general meetings;

(3) to determine the Company's business plans and investment proposals;

(4) to formulate the Company's proposals for annual financial budgets and final accounting;

(5) to formulate the Company's profit distribution proposal and loss recovery proposal;

(6) to formulate proposals for the increase or reduction of the Company's registered capital and for the issuance of the Company's debentures or other securities and listing;

(7) to formulate plans for important mergers and acquisition of the shares of the Company, or consolidation, division, dissolution or change of the form of the Company;

(8) to decide upon the external investments, acquisition and sale of assets, provision of external guarantees, related-party transactions and financial aid by and of the Company other than matters subject to deliberation by the General Meeting or matters authorized to be decided by the general manager;

(9) to decide on the Company's internal management structure;

(10) to decide on the appointment or removal of the Company's manager, Secretary to the Board of Directors, securities representatives authorized by the Board of Directors and other senior officers, and determine their remunerations matters and incentives and disincentives matters; and, based on the recommendations of the manager, to decide on the appointment or removal of the vice manager(s) and other senior officers such as CFO, and decide on their remuneration matters and incentives and disincentives matters;

(11) to formulate the Company's basic management system;

(12) to formulate proposals for any amendment of the Articles of Association;

(13) to manage the information disclosure of the Company;

(14) to propose to the shareholders' general meeting for employment or replacement of the accountancy firm that does auditing for the Company;

(15) to hear reporting from the Company's manager and inspect the performance of the manager;

(16) to exercise any other powers conferred by the laws, administrative regulations, department rules, the Articles of Association.

Article 111 The Board of Directors of the Company shall give explanation in connection with the non-standard audit opinion issued by the registered accountant on the financial report of the Company at the shareholders' general meeting.

Article 112 The Board of Directors shall formulate the procedural rules to be followed at meetings of the Board of Directors, so as to ensure the Board of Directors fulfill resolutions adopted at the shareh

Article 114 The chairman and vice-chairman of the Board of Directors shall be the Directors of the Company. The election and removal of the chairman of the Board of Directors shall be adopted by 2/3 or more of all the Directors. The election and removal of the vice-chairman shall be approved by majority of all the members of the Board of Directors.

Article 115 The chairman of the Board of Directors shall exercise the following powers:

(1) to preside over shareholders' general meetings and to convene and preside over meetings of the Board of Directors;

(2) to urge and check on the implementation of resolutions passed by the Board of Directors;

(3) to sign important documents of the Board of Directors and other documents that shall be signed by the legal representative of the Company;

(4) to exercise the powers of the legal representative;

(5) in case of emergency of catastrophic natural disasters and other force majeure events, exercise the special right of disposal over the Company's affairs that are in accordance with the requirements of laws and interests of the Company, and report to the Board of Directors and the general meeting afterwards;

(6) to exercise other powers conferred by the Board of Directors.

Article 116 The vice chairman of the Board of Directors shall assist works of the chairman. If the chairman of the Board of Directors is unable or fails to perform his duties, the vice chairman shall perform such duties (if there are 2 or more than 2 vice chairmen, a vice chairman of the Board of Directors nominated by more than half of the Directors shall perform such duties); if the vice chairman of the Board of Directors is unable or fails to perform his duties, a Director nominated by more than half of the Directors shall perform such duties.

Article 117 The Board of Directors of the Company sets up Strategic Development and ESG Committee, Audit Committee, Nomination Committee and Remuneration and Appraisal Committee, and formulates corresponding implementing rules setting forth the main duties, decision-making procedures and rules of procedure of each specialized committee, etc. Of them, independent directors hold the majority of positions in the Audit Committee, Nomination Committee and Remuneration and Appraisal Committee and serve as conveners, while the convener of the Audit Committee shall be a professional accountant. The specialized committees shall be accountable and responsible to the Board of Directors, perform duties pursuant to these articles of association and under authority of the Board of Directors, and shall submit its proposals

to the Board of Directors for deliberation and decision unless as otherwise prescribed or authorized. The Board of Directors is responsible for formulating work procedures of specialized committees and regulating the operation of specialized committees.

Article 118 The Strategic Development and ESG Committee comprises 3 directors, and its main duties are:

(I) Study and advise on the long-term strategic plan of the Company for development;

(II) Track and supervise the development strategies and plans formulated by the Company;

(III) Study and advise on the Environmental, Social and Governance (ESG) strategy of the Company, and track, supervise and review ESG-related matters of the Company;

(IV) Other matters prescribed by laws, regulations, the listing rules in the place of listing of the Company and these articles of association, or authorized by General Meeting or Board of Directors.

The aforesaid duties will be further prescribed in detail in working rules of the Strategic Development and ESG Committee as necessary in light of the Company's operational realities.

Article 119 The Audit Committee comprises 3 independent non-executive directors, of whom at least one shall have appropriate accounting competency or related financial management expertise, who shall act as the convener. The Committee's main duties are:

(I) Supervise and evaluate the work of external audit firms and propose appointment, replacement or termination of external audit firm;

(II) Supervise and evaluate internal audit performance and supervise the internal audit policy of the Company and its implementation;

(III) Supervise and evaluate the internal control and operational compliance of the Company, and examine significant related-party transactions;

(IV) Study and advise on the establishment of risk management system by the Company, monitor the implementation of relevant risk management and internal control policies, and periodically review the risk management control system;

(V) Other matters prescribed by laws, regulations, the listing rules in the place of listing of the Company and these articles of association, or authorized by General Meeting or Board of Directors.

The aforesaid duties will be further prescribed in detail in working rules of the Audit Committee as necessary in light of the Company's operational realities.

Article 120 The Nomination Committee comprises 3 directors, including 2 independent non-executive directors, with independent non-executive director serving as the convener. The Committee's main duties are:

(I) Study the selection criteria and procedure for directors, general manager and other senior executives appointed by the Board of Directors, and provide suggestions to the Board of Directors;

(II) Extensively seek qualified candidates, examine and advise to the Board of Directors on director candidates and candidates for senior executives of the Company subject to appointment by the Board of Directors of the Company, and review the independence of proposed independent non-executive directors;

(III) Suggest nominations of candidates for the next session of the Board of Directors to the incumbent Board of Directors and advise to the Board of Directors on appointment or reappointment and director succession plans when the Board of Directors is reelected;

(IV) Evaluate the job performance of directors and senior executives and bring forward opinions or suggestions on replacement of directors or senior executives based on evaluation results as and when necessary;

(V) Examine the structure, headcount, composition and diversity of the Board of Directors at least each year, and raise suggestions on any proposed changes to the Board of Directors in support of the Company's strategies;

(VI) Other matters prescribed by laws, regulations, the listing rules in the place of listing of the Company and these articles of association, or authorized by General Meeting or Board of Directors.

The aforesaid duties will be further prescribed in detail in working rules of the Nomination Committee as necessary in light of the Company's operational realities.

Article 121 The Remuneration and Appraisal Committee comprises 3 directors, including 2 independent non-executive directors, with independent non-executive director serving as the convener. The Committee's main duties are:

(I) Deliberate the performance appraisal system and performance appraisal indicators for directors and senior executives, and review and approve the remuneration suggestions for the management;

(II) Deliberate the remuneration system, policy and structure, remuneration standards and appraisal objectives for directors and senior executives; and evaluate the job performance and annual performance of directors and senior executives;

(III) Deliberate the remunerations, benefits and long-term incentive plans for directors and senior executives an

The resolution made by the meeting of the board shall be adopted by more than half of all such Directors. Where there are less than three (3) unaffiliated Directors present, the relevant matters shall be forwarded to the shareholders' general meeting for deliberation.

Article 129 Resolutions to be adopted a

(4) essentials of speeches delivered by Directors;

(5) way of voting and result thereof with respect of each matter to be deliberated (the number of votes for, against or waiver shall be stated in the voting result).

CHAPTER 6 MANAGER AND OTHER SENIOR OFFICERS

Article 133 The Company shall have one (1) manager, a number of vice managers, who shall be appointed or dismissed by the Board of Directors.

Vice manager, secretary to the Board of Directors and Chief Financial Officer shall serve as other senior officers of the Company.

The provisions of Article 100 of the Articles of Association concerning loyalty to directors and the provisions of Articles 101 (4) to (6) on diligence shall be applicable to managers and other senior officers.

Article 134 A person holding office other than directorship or supervisor in the Company's controlling shareholders shall not hold the office of the manager and other senior officer of the Company.

Article 135 The term of office of the manager shall be three (3) years and may serve consecutive terms if re-appointed.

Article 136 The manager shall be accountable to the Board of Directors and shall exercise the following functions and powers:

(1) to be in charge of the Company's production, operation and management, and to organize the implementation of the resolutions of the Board of Directors and report on works to the Board of Directors;

(2) to organize the implementation of the Company's annual business plan and investment proposals;

(3) to draft plans for the establishment of the Company's internal management structure;

(4) to draft the Company's basic management system;

(5) to formulate basic rules and regulations for the Company;

(6) to propose the appointment or dismissal by the Board of Directors of the Company's vice manager and Chief Financial Officer;

(7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;

(8) to determine the salary, welfare, rewards and punishments concerning the Company's employees and to decide on the hiring or dismissing of the Company's employees;

(9) The manager has the right to decide individual external investments, acquisition and sale of assets, bank loans and external guarantees matters by the Company that each do not exceed 10% (inclusive of 10%) of the Company's net assets, and to decide external donations that each do not exceed 1% (inclusive of 1%) of the Company's net assets, The above matters shall be conducted in accordance with the decision-making process developed by the Company, but not including external investment projects that need to be examined and approved by the general meeting of shareholders according to the laws, regulations, regulatory documents and the relevant provisions of the securities regulatory authorities and stock exchanges where the shares of the company are listed;

(10) other powers conferred by the Articles of Association or the Board of Directors.

The manager shall be present at meetings of the Board of Directors for observation. A manager who is not a Director shall not have any voting rights at board meetings.

Article 137 The manager shall formulate working rules of the manager, which shall be implemented after being approved by the Board of Directors.

Article 138 Working rules of the manager are as follows:

(1) specifying conditions, procedure and participants of the manager's meeting;

(2) responsibilities and work allocation of the manager and other senior officers of the Company;

(3) use of funds and assets of the Company, scope of authorization to enter into contracts and the policies regarding reporting to the Board of Directors and the Supervisory Committee;

(4) other matters which the Board of Directors deems necessary.

Article 139 The manager may resign before expiry of his term of office. The

The board secretary shall comply with applicable provisions of laws, regulations, departmental rules and these articles of association.

Article 141 The manager and other senior officer shall be liable for any losses caused to the Company by their breach of any law, regulation, rule or Articles of Association in performing their duties on behalf of the Company.

Article 142 The senior officers of the Company shall fulfill their duties faithfully, and maintain the maximum benefits of the Company and all the shareholders. Should the senior officers of the Company fail to faithfully fulfill their duties or violate the fiduciary duty, causing damage to the Company and the public shareholders, they shall bear the liability for compensation in accordance with the laws.

CHAPTER 7 SUPERVISORY COMMITTEE

Section 1 Supervisors

Article 143 The circumstances set forth herein in which a person may not serve as director also apply to supervisors. The Directors, manager and other senior officers of the Company shall not act concurrently as supervisors.

Article 144 The supervisors shall observe laws, administrative regulations and the Articles of Association. They shall shoulder the duties of loyalty and due diligence to the Company, and shall not accept any bribery or other illegal income by using his powers and position, or seize the assets of the Company in any manner.

Article 145 Each supervisor shall serve for a term of three (3) years and may serve consecutive terms if re-elected.

Article 146 If the number of members of the Supervisory Committee falls below the statutory number due to a failure to timely elect a supervisor upon expiration of a supervisor's term of office or due to the resignation of a supervisor during his or her term of office, the incumbent supervisor shall continue to perform his or her duties as supervisor in accordance with laws, administrative regulations and Articles of Association until the incoming supervisor takes up his or her position.

Article 147 A supervisor shall ensure that information disclosed by the Company is true, accurate and complete, and sign the written confirmation opinions on the regular reports.

Article 148 Supervisors may be present at meetings of the Board of Directors for observation and may raise queries or suggestions regarding matters discussed at such meetings.

Article 149 A supervisor may not use his or her connected relationships to harm the interests of the Company and shall be liable for damages if the Company suffers loss as a result thereof.

Article 150 If a supervisor violates laws, administrative regulations, department rules or the Articles of Association when performing his/her duties in the Company, such supervisor shall indemnify the Company against losses incurred due to such violation.

Section 2 Supervisory Committee

Article 151 The Company shall have a Supervisory Committee. The Supervisory Committee shall be composed of three (3) supervisors. One of the members of the Supervisory Committee shall act as the chairman. Each supervisor shall serve for a term of three (3) years and may serve consecutive terms if re-elected.

The election or removal of the chairman of the Supervisory Committee shall be determined by half or more of the members of the Supervisory Committee.

The meetings of the Supervisory Committee convened by the chairman of Supervisory Committee shall be presided over and chaired by the chairman of the Supervisory Committee. If the chairman of the Supervisory Committee is unable or fails to perform his/her duties, such meeting shall be convened and presided over by a supervisor nominated by half or more of the supervisors.

The Supervisory Committee shall comprise supervisors who represent the shareholders and a proper proportion of supervisors who represent the employees, and the proportion accounted for by the later shall be 1/3 or more. Shareholders' representatives shall be elected and dismissed by the shareholders' general meeting. The supervisors who represent the employees shall be democratically elected and removed by employees of the Company via the conference of representative of employees, conference of employees or other means.

Article 152 The Supervisory Committee shall be accountable to general meeting, and shall exercise the following functions and powers:

(5) to check the financial information, such as the financial report, business report

(2) Particulars of a matter and the matte

If the general meeting, in violation to the provisions of the previous paragraphs, distributes profit shareholders before covering the losses and making allocation to statutory common reserve fund, the shareholders shall return such distributed profits to the Company.

The shares held by the Company shall not be involved in the profit distribution.

Article 161 The common reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation, or be converted to increase the Company' s capital. However, the capital common reserve fund shall not be used to cover losses of the Company.

When capitalizing the statutory common reserve fund, the balance of such common reserve fund shall not be less than 25% of the registered capital of the Company before the conversion.

Article 162 After the resolution on profit distribution plan has been adopted at the shareholders' general meeting of the Company, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within two months from the conduct of the shareholders' general meeting.

Article 163 The Company's profit distribution policy is as follows:

(1) Principle of profit

The receiving agents appointed by the Company shall meet the requirements of the laws or relevant stock exchange rules of the place(s) where the shares are listed.

Section 2 Internal Audit

Article 166 The Company shall implement its internal audit system with professional auditors to carry out internal audit supervision to the financial balance and economic activities of the Company.

Article 167 The internal audit system of the Company and the duties of such auditors shall be implemented after the approval of the Board of Directors. The responsible auditor shall be responsible and report to the Board of Directors.

Section 3 Engagement of Accounting Firm

(2) by post;

(3) by announcement;

(4) by publishing on the websites designated by the Company and relevant stock exchanges, subject to relevant laws, administrative regulations and relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed;

(5) by other means required by the Articles of Association or approved by relevant regulatory authority of the place where the shares of the Company are listed.

Notwithstanding any other provisions contained in the Articles of Association in respect of the publishing or giving notice of any documents, circulars or other communications, the Company shall choose to announce such corporate communications electronically or by means provided under item (4) of this Article in place of delivering written documents by hand or by post to each shareholder of H shares, subject to relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed.

Article 174 Where a notice sent by the Company is made by way of an announcement, the notice shall be deemed as received by all relevant parties.

Article 175 Unless otherwise provided by these Articles of Association, the Company's notices, information or written announcements to the shareholders of H shares shall be delivered by any of the following methods:

(1) by electronic means;

(2) by publishing on the Company's website or websites designated by the stock exchanges where the Company's shares are listed, in accordance with applicable

Article 178 The meeting notice of the supervisory committee of the Company shall be made mainly by hand.

merger or division of the Company shall have the right to request that the Company purchase their shares at a fair price. A special document of the Company's resolution on the merger or division should be prepared for inspection by the shareholders.

Article 185 In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days as of the date of the Company's resolution on merger and shall make announcement within 30 days as of the date of the Company's resolution on merger. Creditors may, within 30 days after receipt of such notice from the Company, or within 45 days as of the date of the announcement for those who do not receive such notice, to demand that the Company repay their debts to that creditor or provide a corresponding guarantee for such debts.

Article 186 After the merger, claims and debts of parties to the merger shall be taken over by the continuing company or the newly established company.

Article 187 When the Company is divided, its assets shall be split up accordingly.

In the event of a division of the Company, the Company shall prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days as of the date of the Company's resolution on division and shall make announcement within 30 days as of the date of the Company's resolution on division.

Article 188 Unless otherwise agreed by the Company and creditors on settling debts in writing prior to the division, debts incurred by the Company before its division shall be jointly borne by the companies after the division.

Article 189 The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.

The Company shall notify its creditors within 10 days from the date of the Company's resolution on reduction in registered capital and shall publish an announcement within 30 days from the date of such resolution. A creditor has the right, within 30 days after receipt of such notice from the Company, or within 45 days as of the date of the announcement for those who do not receive such notice, to demand that the Company repay their debts to that creditor or provide a corresponding guarantee for such debts.

The registered capital of the Company following the reduction in capital shall not fall below the minimum statutory requirement.

Article 190 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

When the Company increases or reduces its share capital, such changes shall be registered with the company registration authority in accordance with the law.

Section 2 Dissolution and Liquidation

Article 191 The Company shall be dissolved due to any of the following reasons:

(1) the term of operation expires, or any dissolution events as stipulated in these Articles of Association occur;

(2) a resolution for dissolution is passed at a shareholders' general meeting;

(3) dissolution as a result of a merger or division of the Company;

(4) the business license of the Company is revoked, or the Company is ordered to close down or is closed down in accordance with laws due to violation of laws and administrative regulations;

(5) shareholders holding 10% or more of all the voting rights of the Company may apply to the People's court for dissolution when the Company experiences severe difficulties in its operations and management and continual operation of the Company will bring significant losses to the interest of shareholders while there are no other ways to resolve the difficulties;

Article 192 Where the situation set forth in item (1) of Article 191 of these Articles of Association occurs, the Company may continue to exist by amending these Articles of Association. Amendments to these Articles of Association in accordance with preceding paragraph shall be passed by a vote representing two-thirds or more of the voting rights of the shareholders present at the general meeting.

Article 193 Should the Company dissolve due to reasons stipulated in items (1), (2), (4) or (5) of Article 191 hereof, it shall set up a liquidation committee to begin liquidation within 15 days after the occurrence of the dissolution event, and the members of this committee shall be determined by directors or general meeting, failing which creditors may apply to the People's court for the establishment of a liquidation committee comprising designated persons.

Article 194 During the liquidation period, the liquidation committee shall exercise the following functions and powers:

(1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;

(2) to serve notices or make announcements to creditors;

(3) to dispose of and liquidate any unfinished businesses of the Company;

(4) to pay all outstanding taxes as well as taxes arising in the course of liquidation;

(5) to settle claims and debts;

(6) to deal with the assets remaining after the Company's debts have been repaid;

(7) to represent the Company in any civil proceedings.

Article 195 The liquidation committee shall, within 10 days of its establishment, send notices to creditors and shall, within 60 days of its establishment, publish announcement. Creditors shall, within 30 days of receipt of the notice, or for creditors who have not personally received such notice, within 45 days of the date of the public announcement, declare their rights to the liquidation committee.

The creditor who declares the creditor's right shall state the relevant matter in relation to the debt, and provide supporting materials. The liquidation committee shall register the creditors' rights.

During the period of declaring claims, the liquidation committee shall not settle any debt with the creditors.

Article 196 After the liquidation committee has sorted out the assets of the Company and prepared the balance sheets and the inventory of assets, it shall formulate a liquidation scheme and report it to the shareholders' general meeting or the relevant competent authorities for confirmation.

After the payment of liquidation charges, staff salary, social insurance, statutory compensation, outstanding tax and the debts of the Company, the remaining assets of the Company shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the company continues to exist, but it may not commence operational activities not related to the liquidation. The assets of the Company shall not be distributed to the shareholders before they are used for settlement in accordance with the foregoing provisions.

Article 197 After sorting out the assets of the Company and preparing the balance sheets and the inventory of assets, if the liquidation committee discovers that the assets of the Company are not enough to pay off the debts, it should apply to the People's Court to declare bankruptcy according to the law.

After the People's Court declares the Company bankrupt, the liquidation committee should transfer the liquidation to the People's Court.

Article 198 After the completion of liquidation, the liquidation committee should prepare a liquidation report and submit the same to the shareholders' general meeting or the people's court for confirmation and submit it to the company registration authority for deregistration of the Company and announcement of the termination of the Company.

Article 199 The members of the liquidation committee shall be faithful to their duty and fulfill the liquidation obligation in accordance with the law.

The members of the liquidation committee shall not abuse their authority to accept bribery or other illegal income, nor embezzle the Company's assets.

Where a member of the liquidation committee causes significant loss to the Company or creditor by reason of willful default or gross negligence, he shall bear the relevant compensation liability.

Article 200 Where the Company is declared bankrupt according to law, the Company shall carry out bankruptcy liquidation according to the law concerning corporate bankruptcy.

CHAPTER 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 201 Under anyone of the following circumstances, the Company shall amend these Articles of Association:

(1) after the revision of the Company Law or relevant laws and administrative regulations, the provisions of these Articles of Association conflict with the revised laws or administrative regulations;

(2) where the Company's situation changes, thus causes the inconsistency with the matters recorded in these Articles of Association;

(3) the shareholders' general meeting decides to amend these Articles of Association.

Article 202 Where the amendments to these Articles of Association passed by a

CHAPTER 12 SUPPLEMENTARY PROVISIONS

Article 204 Definitions

(1) Controlling shareholder shall mean a shareholder whose ordinary shareholdings (including preferred shares with respect to which voting rights have been resumed) account for 50% or more of the total share capital of the Company; a shareholder whose shareholding ratio is less than 50% but whose voting power pursuant to his share holdings is sufficient to produce material effects on the resolutions of the General Meeting.

(2) De facto controller shall refer to that although such controller is not a shareholder of the Company, he/she is a person who can actually dominate the Company's actions through investment, agreements or other arrangements.

(3) Connected relations shall refer to the relationship between the Company's controlling shareholders, de facto controller, directors, supervisors, senior officers and those enterprises which are directly or indirectly controlled by the foregoing parties and such other relationship which may cause the interests of the Company to be transferred. However, the state-controlled enterprises do not have connected relations with each other merely because they are all being controlled by the State.

(4) Additional gratuities shall refer to the one-off compensation paid to the leaving officers at medium level or above of the Company by the shareholders separately or jointly holding 10% or more of the shares of the Company for the resignation or dismissal of such officers caused by the fact that such shareholders further acquire the Company's shares and become de facto controllers.

Management personnel at medium level or above shall refer to management personnel in the position of assistant to department manager of the Company or above, including the directors and supervisors of the Company entitled to remuneration from the Company and its controlling subsidiaries.

The calculation of the additional gratuities is as follows:

$P = S \times A \times (1 + Q1 + Q2 + Q3) \times 300\%$

P represents additional gratuities;

S represents the sum of total annual salary before tax, additional wages, bonus, benefits and market value of the incentive shares of the leaving personnel for the year of leaving the Company;

A represents the difference between the years of age of the leaving personnel and the retiring age (60 years of age for male and 55 years of age for female). If the difference is less than five years, it shall be deemed as five years;

Q1 represents the absolute value of the accumulative price inflation index for the last three consecutive years of Shanghai published by Shanghai Municipal Bureau of Statistics;

Q2 represents the absolute value of the accumulative interest rate increase index for the last three consecutive years published by the People's Bank of China;

Q3 represents the absolute value of the growth rate of per capita disposable income for the last three consecutive years of Shanghai published by Shanghai Municipal Bureau of Statistics.

Article 205 The Board may formulate by-laws in accordance with the provisions of these Articles of Association, provided that such by-laws shall not be in violation of these Articles of Association.

Article 206 These Articles of Association are written in Chinese. In case of any inconsistency between these Articles of Association and the articles of association in any other language or of different version, the latest Chinese version of these Articles of Association approved by and registered with the Shanghai Administration for Market Regulation shall prevail.

Article 207 The term ''or more'', ''within'', ''following'', as stated in these Articles of Association shall all include the given figure; the term ''not exceeding'', ''except'', ''less than'' and ''more than'' shall all exclude the given figure.

Article 208 Chairman shall bear the same meaning as ''chairman of the Board''; Vice chairman shall bear the same meaning as ''Vice chairman of the Board''; Manager shall bear the same meaning as ''CEO''; Vice Manager shall bear the same meaning as ''Vice CEO''; Accounting firm shall bear the same meaning as ''auditors'' and a ''Business Day'' means the date on which the Stock Exchange is open for the business of dealings in securities.

Article 209 The Board shall be responsible for the interpretation of these Articles of Association.

Article 210 The appendix(es) to these Articles of Association include(s) Rules of Procedures for shareholders' general meetings, Rules of Procedures for the Board of Directors and Rules of Procedures for the Supervisory Committee.

These Articles of Association shall be effective from the date of the approval of the 2023 annual general meeting of the Company.