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

(Amended at the extraordinary general meeting of the Company
held on 26 December 2013)

(The Articles of Association are formulated in accordance with the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas ("Mandatory Provisions"), the Letter of Opinions on Supplementary Amendment to Articles of Association of Companies to be Listed in Hong Kong ("Zheng Jian Hai Han[1995]No.1"), Further Standardizing Operations and Reform of Companies Listed Outside China Opinion (the "Opinion"), the Rules Governing the Listing of Securities on t

Nanjing Sample Technology Co., Ltd. (the "Company") is a joint stock limited company incorporated pursuant to the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China, the Special Regulations of the State Council on the Overseas Offer and Listing of Shares by Joint Stock Limited Companies (the "Special Regulations") and other relevant laws and administrative regulations and listed on the Main Board of the Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange").

Mandatory Provisions Article 1

The Company was established by way of promotion with the approval of the People's Government of Nanjing City, Jiangsu Province, People's Republic of China, as evidenced by the approval document Ning Zheng Fu [2000] No.119 Approval of the Municipal Government regarding the conversion of Nanjing Sample Computer Technology Company Limited to Nanjing Sample Technology Co., Ltd. dated 29 December 2000. It was registered with the Nanjing Administration for Industry and Commerce and was granted the Company's Business License for Enterprises as a Legal Person on 29 December 2000. The number of the Company's business license is: 3201082000869.

The promoters of the Company include Nanjing Sample Technology Group Company Limited, Nanjing Zhongbei (Group) Company Limited, Nanjing Huadong Electronics Information & Technology Company Limited, Nanjing Sample Technology Commerce City Company Limited, Nanjing Daily Newspaper Office and Sha Min.

The Company was listed on the Main Board of the Hong Kong Stock Exchange on 1 December 2010.

Mandatory Provisions Article 2

The registered name of the Company
(In Chinese):
(In English): Nanjing Sample Technology Co., Ltd.

| | |
|---|---|
| The Company's legal domicile: | No.10 Maqun Avenue,<br>Qixia District, Nanjing City<br>( 10 ) |
| Telephone: | 8625-84356666 |
| Facsimile: | 8625-84356650 |
| Postcode: | 210049 |

The Company's legal representative is the chairman of the Board of the Company.

The Company is a joint stock limited company in perpetual existence.

These amendments to the Articles of Association shall become effective from the date of listing of the Company on the Main Board of the Hong Kong Stock Exchange.

From the date of the amendments to the Articles of Association becoming effective, the Ext nge.

Articles of Association; and shareholder may sue the Directors, supervisors, president, general managers, deputy general managers and other senior management members of the Company.

The actions referred to in the preceding paragraph include court proceedings and arbitration proceedings.

Mandatory Provisions Article 8

The Company may invest in other limited liability companies and joint stock limited companies, to which the Company shall be liable to the extent of the amount of its capital contribution. However, the Company shall not be the shareholder of any other economic organizations with unlimited liabilities.

The Company is an independent legal entity, all acts of the Company shall comply with the laws and regulations of the PRC and the place of listing of overseas listed foreign shares, and the Company shall protect the shareholders' legal rights. All capital of the Company is divided into shares with same par value per share. The rights and liabilities of the shareholders of the Company are limited to the shares held by them, and the Company is liable for its debts to the extent of its entire assets.

On condition of compliance with applicable laws and administrative regulations of PRC, the Company has the power to raise or borrow money which power includes (but without limitation) the issue of corporate bond, the charging or pledging of part or whole of the ownership or usage right of the Company's assets and other rights permitted by PRC laws and administrative regulations. Subject to the provisions under the laws and regulations of PRC and/or place of listing and in compliance with the provisions under the laws and regulations of PRC and/or place of listing and the corporate procedures stipulated herein, the Company may provide various forms of guarantee against any third party (including but not limited to the Company's subsidiaries or associated companies); however, the Company shall not prejudice or abolish the rights of holders of shares of any class when exercising the said rights.

The business purposes of the Company are: to serve and rejuvenate the country through industry development and provide the country and the community with system solutions and services regarding, inter alias, computer and communication technology and application software, to provide the users with high quality, efficient and professional services, to achieve the objectives of user satisfaction, investors' benefits and sustainable and stable corporate development by the advantages in technology and talents.

Mandatory Provisions Article 9

The scope of business of the Company shall be based on the items approved by the company registration authorities.

Major scope of business of the Company: computer networks, industrial automation engineering design, installation; electronic products, electronic computer development, manufacture, production for product sales, system integration; electronic computer technology consulting and information services; research and development of ITS-based basic information collection technology and equipment (not including commodities under the special control of the State and projects with special approval). (Those involving permits are licensed to operate)

Mandatory Provisions Article 10

According to the domestic and international market trends, business needs in the PRC and its own growth capability and its business performance, the Company may adjust its investment policies and business scope and mode on a timely basis; as well as set up branches and offices in the PRC and areas including Hong Kong, Macau and Taiwan (whether wholly-owned or not), subject to approvals by resolution of the general meeting and relevant governmental authorities.

The Company shall have ordinary shares at all times. It may have other kinds of shares according to needs, upon approval of the company approval authorities

Mandatory Provisions Article 11

foreign exchange administration authority of the State and can be used for payment of the Company's shares.

Overseas listed foreign shares issued by the Company and listed in Hong Kong shall be referred to as H shares. H shares refer to the shares approved to be listed on the Hong Kong Stock Exchange, the par value of which are denominated in Renminbi, and are subscribed for and traded in Hong Kong dollars.

Mandatory Provisions Article 15 Hong Kong Listing Rules Appendix 3 paragraph 9

Upon approval of the company approval authorities that are authorized by the State Council, the total number of issuable ordinary shares of the Company upon its incorporation is 45,000,000 domestic shares of RMB1.00 each. The number of shares issued to the promoters upon the Company's incorporation was 45,000,000 shares, representing 100% of the total number of issuable ordinary shares of the Company, all of which were subscribed by the promoters as follows:

18,000,000 shares subscribed by Nanjing Sample Technology Group Company Limited representing 40.00% of the total number of issuable ordinary shares of the Company upon its incorporation.

12,000,000 shares subscribed by Nanjing Zhongbei (Group) Company Limited representing 26.67% of the total number of issuable ordinary shares of the Company upon its incorporation.

12,000,000 shares subscribed by Nanjing Huadong Electronics Information & Technology Company Limited representing 26.67% of the total number of issuable ordinary shares of the Company upon its incorporation.

1,650,000 shares subscribed by Nanjing Sample Technology Commerce City Company Limited representing 3.66% of the total number of issuable ordinary shares of the Company upon its incorporation.

900,000 shares subscribed by Nanjing Daily Newspaper Office representing 2.00% of the total number of issuable ordinary shares of the Company upon its incorporation.

450,000 shares subscribed by Sha Min representing 1.00% of the total

number of issuable ordinary shares of the Company upon its incorporation.

(1) The number of ordinary overseas listed foreign shares issued for the first capital increase after incorporation of the Company was 20,400,000 shares (including

54,000,000 shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 27.91% of the total number of the ordinary shares issued by the Company.

22,455,000 shares held by Jiangsu Century Gold Bull Technology and Trading Co., Ltd., representing approximately 11.60% of the total number of the ordinary shares issued by the Company.

49,545,000 shares held by Active Gold Holding Limited, representing approximately 25.60% of the total number of the ordinary shares issued by the Company.

4,950,000 shares held by Nanjing Sample Technology Commerce City Company Limited, representing approximately 2.56% of the total number of the ordinary shares issued by the Company.

1,350,000 shares held by Sha Min, representing 0.70% of the total number of the ordinary shares issued by the Company.

61,200,000 overseas listed foreign shares held by H shareholders, representing 31.63% of the total number of the ordinary shares issued by the Company.

(6) With the approval of the extraordinary general meeting of the Company held on 3 August 2009, the Company issued additional ordinary shares of 30,600,000 overseas listed foreign shares, thereafter the total equity of the Company changed to 224,100,000 shares, with 132,300,000 shares (59.04% of the total number of the (o)0 Tw 17.63 0 Td5.7

Domestic shares and overseas-listed foreign shares of the Company shall be purchased, sold, donated, inherited and pledged in accordance with PRC laws and the Articles of Association. The transfer and assignment of shares of the Company shall be registered in the registration office of shares entrusted by the Company and be handled in accordance with the transfer procedures provided for in relevant regulations.

Upon transfer of the Company's shares, the transferees of the shares will become the holders of such shares with their names being entered in the register of shareholders.

Hong Kong Listing Rules Appendix 13 paragraph 9 Part D Section 1(b)

All issues and transfers of overseas-listed foreign shares shall be registered in the register of holders of overseas-listed foreign shares kept in Hong Kong in accordance with Article 41.

The transfer of all or part of the shares by any holders of overseas-listed foreign shares shall be effected by the standard transfer form and instrument of transfer specified by the Hong Kong Stock Exchange. The instrument of transfer shall be signed by hand or in a machine-imprinted format by the transferor or transferee.

The Company shall ensure that the share certificates of all overseas-listed foreign shares carry the following representations, and instruct and cause the share registrar of the Company to refuse to register any person as holder of any shares of the Company subscribed, purchased or transferred unless and until the person has produced to the share registrar a share certificate carrying the following representations and has signed proper forms:

(1) The purchaser agrees with the Company and each shareholder, and the Company agrees with each shareholder, to observe and comply with the

Company Law and other relevant laws, administrative regulations as well as the Articles of Association;

(2) The purchaser agrees with the Company, each shareholder, Director, supervisor and management of the Company, and the Company on behalf of itself and each Director, supervisor and management, agrees with each shareholder, to refer to arbitration all the disputes and claims concerning the Articles of Association or any rights or obligations provided for in the Company law and other relevant laws and administrative regulations, and to authorize the arbitration to be exposed to public hearing and the result of the arbitration to be publicly announced;

(3) The purchaser and the Company and the shareholders of the Company have agreed that shares of the Company can be transferred freely by shareholders;

(4) The purchaser authorizezd9 Tw [ Tw 1..029 Tw [e 4(a)-8(h)i 0.40(e)/(h)--0.005 Tc pbien

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advertisement published in newspapers and notifies the authority and the relevant foreign securities regulators of such intention.

Where power is taken to forfeit unclaimed dividends, such power shall only be exercised after the expiration of six (6) years after the date of declaration of dividends.

In accordance with the provisions of the Articles of Association, the Company may reduce its registered capital.

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

The Company shall notify its creditors within ten (10) days from the date of the Company's resolution on reduction of registered capital and shall publish an announcement in the newspaper within thirty (30) days from the date of such resolution. A creditor has the right, within thirty (30) days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty-five (45) days from the date of the announcement, to require the Company to repay its debt or provide a corresponding

the Company shall apply to the original company registration authority for registration of the change of its registered capital and make relevant announcements.

The amount of the Company's registered share capital shall be reduced by the aggregate par value of those cancelled shares.

Mandatory Provisions Article 28

Unless the Company is in the course of liquidation, it must comply with the following provisions in respect of repurchase of its outstanding shares:

(1) where the Company repurchases its shares at par value, payment shall be made out of book balance of the distributable profits of the Company or out of proceeds of a fresh issue of shares made for that purpose;

(2) where the Company repurchases its shares at a premium to their par value, payment up to the par value shall be made out of the book balance of distributable profits of the Company or out of the proceeds of a fresh issue of shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:

(a) if the shares being repurchased were issued at par value, payment shall be made out of the book balance of the distributable profits of the Company;

(b) if the shares being repurchased were issued at a premium to their par value, payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds of a fresh issue of shares made for that purpose, provided that the amount paid out of the proceeds of the fresh issue shall not exceed the aggregate of premiums received by the Company on the issue of the shares repurchased nor the current amount of the Company's share premium account (or capital reserve account) (including the premiums on the fresh issue);

(3) payment by the Company in consideration of the following shall be made out of the Company's distributable profits:

(a) acquisition of rights to repurchase shares of the Company;

(b) variation of any contract for repurchasing shares of the Company;

(c) release of its obligation under any contract for repurchasing its shares;

(4) after the Company's registered capital has been reduced by the total par value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the par value portion of the shares repurchased shall be transferred to the Company's share premium account (or capital reserve account).

The Company or its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the

(3) provision of loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the assignment of rights arising under, such loan or agreement;

(4) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.

The expression "assuming an obligation" referred to in this Chapter includes the assumption of obligations by the changing of the obligor's financial position by way of contract or the making of an arrangement (whether enforceable or not, and whether made on its own account or with any other persons), or by any other means.

Mandatory Provisions Article 31

The following activities shall not be deemed to be activities as prohibited in Article 35:

(1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company;

(2) the lawful distribution of the Company's assets by way of dividend;

(3) the allotment of bonus shares as dividends;

(4) a reduction of registered capital, a repurchase of shares or a reorganization of the shareholding structure of the Company effected in accordance with the Articles of Association;

(5) the lending of money by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company);

(6) the provision of money by the Company for contributions to staff and workers' share schemes (provided that the net asset

are freely transferable pursuant to the Articles of Association. However, the Board may refuse to recognize any instrument of transfer without giving any reason unless such transfer fulfills the following conditions:

upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as declaring that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares.

(2) No statement has been received by the Company from a person other than the applicant for having his name registered as a holder of the relevant shares before the Company came to a decision to issue the replacement share certificate.

provided by the applicant for such expenses.

Where power is granted to the Company to issue warrants to bearer, no new warrants shall be issued to replace the one that has been lost, unless the Company is satisfied beyond reasonable doubt that the original has been destroyed.

Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case that he is a bona fide purchaser) shall not be removed from the register of shareholders.

Mandatory Provisions Article 42

The Company shall not be liable for any damages sustained by any person by reason of the cancellation of the original certificate or the issuance of the replacement certificate, unless the claimant proves that the Company had acted fraudulently.

Mandatory Provisions Article 43

A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is entered in the register of shareholders.

Mandatory Provisions Article 44

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

Hong Kong Listing Rules Appendix 3 Paragraph 9

For joint holding of any shares, if one of the joint shareholders is deceased, only the other existing shareholders of the joint shareholder shall be deemed as the persons who have the ownership of the relevant shares. But the Board has the power to require them to provide a certificate of death of the relevant shareholder as necessary for the purpose of modifying the relevant register of shareholders. In

respect of any of the joint shareholders of the shares, only the joint shareholder ranking first in the register of shareholders have the right to accept certificates of the relevant shares from the Company, receive notices of the Company, attend and vote at shareholders' general meetings of the Company of all the relevant shares. Any notice which is delivered to the aforesaid shareholder shall be considered as having been delivered to all the joint shareholders of the relevant shares.

The ordinary shareholders of the Company shall be entitled to the following rights:

(1) the right to dividends and other distributions in proportion to the number of shares held;

(2) the

(b) principal address (domicile);

(c) nationality;

(d) primary and all other part-time occupations;

(e) identification document and its number;

(f) financial reports.

(iii) report on the state of the Company's share capital;

(iv) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;

(v) minutes of shareholders' general meetings;

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;

(7) other rights conferred by laws, administrative regulations and the Articles of Association.

Hong Kong Listing Rules Appendix 3 Paragraph 12

The Company may not exercise any power to freeze or infringe in any other way the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he has not disclose his interests to the Company.

Shareholders demanding inspection of the relevant information or copies of the materials mentioned in the preceding provision 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

approval in accordance with the A4gicles of Associagion.

The term “controlling shareholder” referred to in the preceding a4gicle means a person

shareholders and independent supervisors and decide on matters relating to the remuneration of supervisors;

(4) to examine and approve reports of the Board;

(5) to examine and approve reports of the Supervisory Committee;

(6) to examine and approve the Company's proposed annual preliminary and final financial budgets;

(7) to examine and approve the Company's profit distribution plans and plans for making up losses;

(8) to decide on increases or reductions in the Company's registered capital;

Unless a prior approval is obtained in a shareholders' general meeting, the Company shall not enter into any contract with any party other than the Directors, supervisors, presidenege(e)3pra-4(g160(e)3pr)24(s)66,(d)10(e)3punyrg160(e)3((e)3pr)24 a1a-4(g160(e)
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meeting as well as the date and place of the meeting. Shareholders that intend to attend the shareholders' general meeting shall, within five (5) days prior to the meeting, deliver a written reply to the Company on meeting attendance.

When the Company convenes a shareholders' annual general meeting, shareholder(s)

A notice of the general meeting shall meet the following requirements:

(1) be in writing;

(2) specify the place, date and time of the meeting;

(3) state the date of registration of equity entitlements for shareholders having the right to attend the general meeting;

(4) state the names and contact telephone numbers of the contact persons in connection with the meeting;

(5) state the matters to be discussed at the meeting;

(6) provide such information and explanation as are necessary for the shareholders to make an informed decision on the proposals put before them. Without limiting the generality of the foregoing, where a proposal is made to amalga8ng;

be a shareholder;

(10)

the meeting and the resolutions passed at the meeting.

Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one (1) or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:

(1) the right which the shareholder has to speak at the meeting;

(2)

specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy form, or 24 hours before the designated time of voting. Where the proxy form is signed by a person under a power of attorney on behalf of the appointer, the power of attorney or other authorization documents authorized to be signed shall be notarized. A notarially certified copy of that power of attorney or other authorization documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.

Where the appointer is a legal person, its legal representative or other persons authorized by the resolutions of the Board or other decision-making organ to act as its representatives may attend the general meeting of the Company as a representative of the appointer.

appointment or the power of attorney, or where the relevant shares have been transferred prior to the voting, a vote given in accordance with the letter of authorization shall remain valid provided that no written notice of such event has been received by the Company prior to the commencement of the relevant meeting.

Mandatory Provisions Article 64

There shall be two (2) types of resolutions of shareholders' general meetings, namely ordinary resolutions and special resolutions.

To adopt an ordinary resolution, votes representing not less than one-half of the voting rights represented by the shareholders (including proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.

To adopt a special resolution, votes representing not less than two-thirds of the voting rights represented by the shareholders (including proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.

A shareholder (including his proxy) attending the meeting shall vote in favour of or against each resolution relating to every matter which has been put to vote at the relevant meeting; if such shareholder or his proxy abstains from voting, any vote by such shareholder or his proxy shall not be counted in the voting results of the Company.

Mandatory Provisions Article 65

A shareholder (including proxy) when voting at a shareholders' general meeting may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote.

Hong Kong Listing Rules Appendix 3 Paragraph 14

Where any shareholder is, under the Hong Kong Listing Rules and/or any applicable laws and regulations, required to abstain from voting on a particular resolution or restricted to voting only in favour of or against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Mandatory Provisions Article 66

At any shareholders' general meeting, a resolution shall be decided on a show

entitled to one additional vote.

When the shareholders' general meeting resolves on the connected transaction of the Company, the connected shareholders shall refrain from voting and the number of voting shares that they represent may not be counted as part of the total number of valid voting. The public announcement of the shareholders' general meeting shall fully disclose the voting of non-connected shareholders. In case of special circumstances that the connected shareholders cannot be avoided, with the approval of the authorized department, the voting can be conducted in accordance with normal procedures. The public announcement of the shareholders' general meeting shall fully disclose such details.

Mandatory Provisions Article 70

The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:

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

(2) plans formulated by the Board for distribution of profits and for making up losses;

(3) remuneration and payment methods of members of the Board;

(4) the appointment and removal of members of the Board and the Supervisory Committee and their remuneration and payment methods;

(5) the Company's annual financial budgets and final accounts, balance sheets, income statements and other financial statements;

(6) option plan, management holding plan or other incentive plan, scheme or mechanism formulated by the Board;

(7) matters other than these required by the laws and administrative regulations or by the Articles of Association to be adopted by special resolutions.

The following matters shall be resolved by a special resolution at a shareholders' general meeting:

Mandatory Provisions Article 71

(1) increase or reduction of the share capital and issue of shares of any class, stock warrants or other similar securities;

(2) buying-back of the shares of the Company;

(3) issuance of corporate bonds;

(4) the division, merger, dissolution, liquidation;

(5) amendments to the Articles of Association;

(6) other matters considered by the shareholders' general meeting, by way of an ordinary resolution, to have a substantial impact on the Company and require approval by a special resolution.

Hong Kong Listing Rules Appendix 3 Paragraph 4(3)

Shareholders who request for the convening of an extraordinary general meeting or a class meeting shall comply with the following procedures:

Mandatory Provisions Article 72

(1) Two (2) or more shareholders holding in aggregate 10% (inclusive) or more of the shares carrying the right to vote at the meeting sought to be held shall sign one (1) or more counterpart requisitions stating the object of the meeting and requiring the Board to convene a shareholders' extraordinary general meeting or a class meeting thereof. The Board shall as soon as possible proceed to convene the extraordinary general meeting of shareholders or a class meeting thereof after receipt of such requisition(s). The amount of shareholdings referred to above shall be calculated as at the date of deposit of the requisition(s).

(2) If the Board fails to issue a notice of such a meeting within thirty (30) days from the date of receipt of the requisition(s), the shareholders may themselves convene such a meeting (in a manner as similar as possible to the manner in which

In the event that the chairman of the meeting has any doubt as to the result of a

meetings.

The minutes of meeting and the attendance records signed by the attending shareholders and

The following circumstances shall be deemed to be a variation or abrogation of the rights of shareholders of a certain class:

(1) to increase or decrease the number of shares of a particular class, or increase or decrease the number of shares of another class having rights on voting, distribution or other privileges equal or superior to those of the shares of such class;

(2) to effect an exchange of all or part of shares of such class into shares of other classes, or to effect an exchange or grant a right of exchange of all or part of the shares of other classes into shares of such class;

(3) to remove or reduce rights to accrued dividends or cumulative dividends attached to shares of such class;

(4) to reduce or remove the rights to a dividend preference or a liquidation preference to distribution of property attached to shares of such class;

(5) to add, remove or reduce the rights to conversion, options, voting, transfer, pre-emptive rights to placement and acquire securities of the Company attached to shares of such class;

(6) to remove or reduce rights to receive payment payable by the Company in particular currencies attached to shares of such class;

(7) to create a new class of shares having rights on voting, distribution or other privileges equal or superior to those of the shares of such class;

obligations of such restructuring;

(12) to vary or abrogate the terms provided in this chapter.

Shareholders of the affected class, whether or not having the right to vote at the shareholders' general meeting, shall nevertheless have the right to vote at class meetings on matters referred to in clause (2) to (8) and (11) to (12) of Article 93 of the Articles of Association, but interested shareholdhoohard noor tot(i)144(i)l6( )13(d s) vote

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Written notice of a class meeting convened by the Company shall be dispatched twenty-five (25) days prior to the da3(e)96(o)fng theooeeffoto

The Chairman and Vice Chairman of the Board shall be elected and removed by more than one-half of all Directors. The term of office of the Chairman and Vice Chairman shall be three (3) years, renewable upon re-election.

The shareholders' general meeting may by ordinary resolution remove any Director before the expiration of his term of office (but without prejudice to such Director's right to claim damages based on any contract), subject to full compliance with relevant laws and administrative regulations.

Zheng Jian Hai Han [1995]No.1 Article 4

Any person who has been appointed by the Board to fill any casual vacancy in the office of the Board or serve as an additional Director, his term of office shall expire at the next shareholders' annual general meeting and such person shall be eligible for election for successive terms.

Not more than two (2) persons of the Chairman of the Board, Vice Chairman and executive Directors of the Company may be senior management (chairman of the board, vice chairman and executive director) of the controlling organizations.

The external Directors shall have sufficient time and necessary knowledge and ability to perform their duties. When an external Director performs his duties, the Company must provide necessary information. Independent Directors may directly report to the shareholders' general meeting, CSRC and other relevant departments thereon.

Opinion Article 6

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

The Board shall report to the shareholders' general meeting and exercises the following powers:

Mandatory Provisions Article 88

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

(2) to implement the resolutions of shareholders' general meetings;

(3) to decide on the Company's business plans and investment plans;

formulate option plan, management holding plan or other incentive plan, scheme or mechanism according to the actual situation of the Company;

(14) to propose the appointment or removal of the Company's auditors to the general meetings of the shareholders;

(15) other duties according to the provisions of the Articles of Association or conferred by the shareholders' general meeting.

Except for the Board resolutions in respect of the matters specified in subparagraphs (6), (7) and (11) of this Article which shall be passed by not less than two-thirds of the Directors, the Board resolutions in respect of all other matters may be passed by the affirmative vote of a simple majority of the Directors.

Board resolutions in respect of the Company's connected transactions must be endorsed by an Independent (non-executive) Director before they can become effective.

Opinion Article 6

In cases where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets disposed within four (4) month before the proposed disposal, exceeds 33% of the fixed assets value set out in the latest balance sheet considered by the shareholders' general meetings, the Board shall not dispose or consent to dispose such fixed assets without prior approval by the shareholders' general meeting.

Mandatory Provisions Article 89

The term "fixed assets disposal" referred to in this Article represents (among other things) transferring certain interests in assets, but not including provision of guarantees by way of fixed assets.

The validity of transactions regarding fixed assets disposal by the Company shall not be affected due to a breach of the first paragraph of this Article.

When making decisions on market development, mergers and acquisitions or investment in a new field, the Board shall engage an outside consultancy organization to provide a professional opinion to be used as an important basis for

Opinion Article 4

the Board's decision, if the investment or the merger/acquisition assets amount to 10% or more of the Company's total assets.

Mandatory Provisions Article 90

The Chairman of the Board is entitled to the following powers:

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

(2) to supervise and check on the implementation of resolutions of the Board;

(3) to sign the securities certificates issued by the Company;

(4) to sign important documents of the Board and other documents that require signing by the Company's authorized representative;

(5) to exercise the power of authorized representative;

(6) to exercise the power to handle corporate affairs in accordance with the law and the Company's interests in cases of emergency caused by natural disasters or other force majeure, and report to the Board and shareholders' general meeting thereafter;

(7) to exercise other powers conferred by the Board.

If the Chairman is unable or fails to perform his duties, the Vice Chairman shall perform the duties of the Chairman; where the Vice Chairman fails to perform his duties, a Director jointly elected by not less than half members of the Board shall perform the duties of the Chairman.

The Board of the Company may establish special committees.

Duties of the special committees of the Board of the Company are determined according to the relevant provisions of the State and the resolutions of

the Board of the Company and implemented subject to the approvals of the shareholders' general meeting of the Company by way of resolution.

(1) Main duties of the Audit Committee:

(i) to check the Company's accounting policies, financial status and financial reporting procedures;

(ii) to recommend and engage C -1.5o,tted P8(o)(t)-l6(m)-6(m)c6(o)-A( r)c6(o)-7(c)8

(iii)

(1) If the Board has specified the time and place of the regular Board meeting in advance, no service of notice is required.

(2) If the Board has not specified the time and place of the board meeting in advance,

quorum required for making a decision pursuant to Article 109 of the Articles of Association, this proposal shall be taken as the resolution of the Board, instead of holding the Board meeting.

The Board shall keep minutes of resolutions passed at Board meetings. The minutes shall be signed by the Directors present at the meeting and the person who recorded the minutes. Opinions of the Independent Directors shall be clearly stated in the resolutions of the Board. The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or the Articles of Association and the Company suffers serious losses as a result thereof, the Directors who participated in the passing of such resolution are liable to compensate the Company. However, if it can be proven that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director may be released from such liability.

(2) to ensure that the Company prepares and delivers the reports and documents required by competent authorities in accordance with the laws;

(3) to ensure that the Company's registers of shareholders are properly maintained, and that persons entitled to access to the relevant records and documents are furnished with such records and documents without delay;

(4) be responsible for the information disclosure to ensure the timely, accurate, legal, true and complete disclosure of the Company's information;

(5) to perform other duties as specified under the Articles of Association and the listing rules of the

general manager

(10) to exercise other powers conferred by the Articles of Association and the Board.

The president and general manager of the Company shall attend Board meetings. The general manager who is not a Director does not have any voting rights at Board meetings.

Mandatory Provisions Article 101

In exercising the duties, the president, the general manager and the deputy general manager shall not alter the resolutions of the shareholders meeting and the Board or act beyond his scope of authority.

The president, the general manager and the deputy general manager, in performing his functions, shall act honestly and diligently and in accordance with the laws, administrative regulations, departmental rules and the Articles of Association.

Mandatory Provisions Article 102

The Company shall have a supervisory committee which shall be a standing supervisory body of the Company responsible for supervising the board of directors and its members, and the senior staff such as the president, general manager and deputy general manager, so as to prevent any abuse of their functions and powers and violation of the legal rights and interests of the shareholders, the Company and its employees.

Mandatory Provisions Article 103

The Supervisory Committee shall be composed of 3 Supervisors. One of the members of the Supervisory Committee shall act as the chairman of the Committee. The term of office of a Supervisor shall be three years, renewable upon re-election

Mandatory Provisions Article 104

and re-appointment.

Zheng Jian Hai Han [1995]No.1 Article 5
Hong Kong Listing Rules Appendix 13 Part D Paragraph 1(d)(i)

The appointment and dismissal of the chairman of the Supervisory Committee shall be passed by not less than two-thirds (inclusive) of its members.

The term of office of the chairman of the Supervisory Committee shall be three years, renewable upon re-election and re-appointment.

Mandatory Provisions Article 105

The Supervisory Committee shall comprise one external supervisor, one independent supervisor, one representative of the Company's staff and workers. The Representatives of the Company's staff and workers shall be democratically elected and dismissed by the Company's staff. External supervisor (independent supervisor) shall be elected and dismissed by the shareholders' meeting.

Opinion Article 7

The Supervisory Committee shall consist of external supervisors (that is, supervisors who do not hold an internal office in the Company) which account for more than one half of the total number of supervisors and at least two independent supervisors (that is, supervisors who are independent of the shareholders of the Company and who do not hold an internal office in the Company). External supervisors shall report independently to the shareholders' general meeting the performance of the management members of the Company in relation to their fiduciary and diligence.

Mandatory Provisions Article 106

The Directors, president, general managers, deputy general managers and chief financial officers of the Company shall not assume the position of supervisors.

Mandatory Provisions Article 107

Meetings of the Supervisory Committee shall be held at least once a year and convened by the Chairman of the Supervisory Committee.

Mandatory Provisions Article 108

The Supervisory Committee shall be accountable to the shareholders' general

meeting and exercise the following powers in accordance with the laws:

(1) to examine the Company's financial affairs;

(2) to supervise Directors, president,

The method of discussion for the Supervisory Committee shall be by way of holding a supervisory Committee meeting which shall be convened with written notice of not less ten days but not more than 30 days be served to all supervisors. The supervisory Meetings of the Supervisory Committee shall be held only if not less than one half (exclusive) of the supervisors are present and each supervisor shall have one vote.

Mandatory Provisions Article 109 Zheng Jian Hai Han [1995]No.1 Article 6

Resolution at a supervisory meeting shall be passed by two-thirds (inclusive) of the supervisors by poll.

Listing Rules Appendix 13 Part D Paragraph 1(d)(ii)

All reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors as are required by the Supervisory Committee in discharging its duties shall be borne by the Company.

Mandatory Provisions Article 110

Minutes shall be prepared, on which the supervisors present at the meeting and the person who has prepared the minutes shall sign. Each supervisor is entitled to request that an explanation of his comments made at the meetings be noted in the minutes. The minutes of Supervisory Committee meetings shall be maintained as corporate archives by the Secretary to the Board for a period of 15 years.

A supervisor shall carry out his duties honestly and faithfully in accordance with the laws, administrative regulations and the Articles of Association.

Mandatory Provisions Article 111

A person may not serve as a Director, supervisor, president, general manager, deputy general manager or any other senior management member of the Company if any of the following circumstances applies:

(1) a person without legal or with restricted legal capacity;

(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five (5) years have elapsed since the date of the completion of implementation of such punishment or deprivation;

(3) a person who is a former director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;

(4) a person who is a former legal representative of a company or enterprise which

(9) a person convicted of the contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five (5) years has elapsed since the date of the conviction.

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The validity of an act of a Director, president, general manager, deputy general manager and any other senior management member on behalf of the Company is not, vis-a-vis a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.

In addition to obligations imposed by laws, administrative regulations or required by the stock exchanges on which the Company's shares are listed, each of the Company's Directors, supervisors, president, general manager, deputy general manager andn

skill that a reasonably prudent person would exercise in comparable circumstances.

Each of the Company's Directors, supervisors, president, general manager, deputy general manager and other senior management members shall exercise his powers or carry on his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duty and his interest may conflict. This principle includes (without limitation) discharging the following obligations:

(1) to act honestly in the best interests of the Company;

(2)

(9) to abide by the Articles of Association, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests;

(10)

general manager, deputy general manager and other senior management member;

(2) a person acting in the capacity of trustee of that Director, supervisor, pre

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which the Company may promote or be interested in, for subscription or purchase where the Director or his associate(s) is/are or is/ are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(3) any proposal made by any other company in which the Director or his associate(s) is/are interested, whether directly or indirectly (as an officer or executive or shareholder); or any proposal made by any other company in which the Director or his associate(s) is/ are beneficially interested in shares of that company, provided that such Director and any of his associates are not in aggregate beneficially interested in five percent or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;

(4) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which any Director or his associate(s) may benefit; or

(b) the adoption, modification or operation of a provident fund or pension fund, death or disability benefits scheme in relation to the Directors, his associates and employees of the Company or any of its subsidiaries, which does not provide in respect of any Director (or his associates), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(5) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

Unless the interested Director, supervisor, president, general manager, deputy

general manager and other senior management member discloses his interests in accordance with the preceding paragraph of this Article and the contract, transaction or arrangement is approved by the Board at a meeting in which the interested Director, supervisor, president, general manager, deputy general manager and other senior management member is not counted in the quorum and refrains from voting, a contract, transaction or arrangement in which that Director, supervisor, president, general manager, deputy general manager and other senior management member is materially interested is voidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested Director, president, general manager, deputy general manager and other senior management member.

A Director, supervisor, president, general manager, deputy general manager and other senior management member of the Company is deemed to be interested in a contract, transaction or arrangement in which an associate (as defined in the Listing Rules) of him is interested.

Mandatory Provisions Article 121

Where a Director, supervisor, president, general manager, deputy general manager and other senior management member of the Company gives to the Board a general notice in writing stating that, by reason of the facts specified in the notice, he is interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, such notice shall be deemed for the purposes of the preceding paragraph of this Article to be a sufficient declaration of his interests, so far as the content stated in such notice is concerned, provided that such general notice shall have been given before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company.

Mandatory Provisions Article 122

The Company shall not in any manner pay taxes for or on behalf of its Directors, supervisors, president, general manager, deputy general manager and other senior management members.

The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with, the making of a loan to a Director, supervisor, president, general manager, deputy general manager and other senior management member of the Company or of the Company's parent company or any of their respective associates. However, the following transactions are not subject to such prohibition:

Mandatory Provisions Article 123

(1) the provision by the Company of a loan or a guarantee for a loan to a company which is a subsidiary of the Company;

(2) the provision by the Company of a loan or a guarantee in connection with the making of a loan or any other funds to any of its Directors, supervisors, president, general manager, deputy general manager and other senior management members to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders in general meeting; and

(3) The Company may make a loan or provide a guarantee in connection with the making of a loan to any of the relevant Directors, supervisors, president, general manager, deputy general manager and other senior management members or their respective associates in the ordinary course of its business on normal commercial terms, provided that the ordinary course of business of the Company includes the lending of money or the giving of guarantees.

A loan made by the Company in breach of the above provisions shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Mandatory Provisions Article 124

A loan guarantee provided by the Company in breach of clause 1 of Article 142 shall be unenforceable against the Company, provided that:

Mandatory Provisions Article 125

(1) a loan was advanced to an associate of any of the Directors, supervisors, president, general manager, deputy general manager and other senior management members of the Company or of the Company's parent company where the lender did

not know the relevant circumstances; or

(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

For the purposes of the foregoing provisions of this Chapter, a guarantee includes an undertaking or property provided to secure the performance of obl3 Fai1on610( b) then1obl3 For.

(5) demand payment of the interest earned or which may have been earned by the Director, supervisor, president, general manager, deputy general manager and other senior management members on the monies that should have been paid to the Company.

The Company shall, with the prior approval of shareholders in general meeting, enter into a contract in writing with a Director or supervisor wherein his emoluments are stipulated, including; Mandatory

(1) emoluments in respect of his service as Director, supervisor or senior management member of the Company;

(2) emoluments in respect of his service as Director, supervisor or senior management member of any subsidiary of the Company;

(3) emoluments in respect of the provision of other services in connection with the management of the affairs of the Company or any of its subsidiaries; and

(4) compensation for loss of office, or as consideration for or in connection with his retirement from office.

Except under a contract entered into in accordance with the foregoing, no proceedings may be brought by a Director or supervisor against the Company for any benefits in respect of the matters mentioned in this Article.

The contract for emoluments entered into between the Company and its Directors or supervisors should provide that in the event of a takeover of the Company, the Company's Directors and supervisors shall, subject to the prior approval of the shareholders in general meeting, have the right to receive compensation or other payment for loss of office or retirement. A takeover of the Company as referred to above means:

(1) a takeover offer made by any person to all shareholders; or

(2) an offer made by any person with a view to the offeror becoming a "controlling shareholder" within the meaning of Article 56.

If the relevant Director or supervisor does not comply with this Article, any sum so received by him shall belong to those persons who have sold their shares as a result of the said offer made. The expenses incurred in distributing that sum pro rata amongst those persons shall be borne by the relevant Director or supervisor and shall not be paid out of that sum.

The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and PRC accounting standards formulated by the finance

The Company's common reserve fund includes surplus common reserve fund and capital common reserve fund. The surplus common reserve fund is divided into statutory surplus common reserve fund and discretionary surplus common reserve fund.

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

Where the Company's statutory surplus reserve fund is not enough to make up losses

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Any paid share capital before the notice of the collection of share capital can enjoy interest. However, the shareholder is not entitled to any dividends of such pre-paid share capital.

The rights to expropriate unclaimed dividend must not be exercised until the effective period since the announcement of dividend distribution date ends.

Mandatory Provisions Article 139

The Company may distribute dividends in the following manner:

(1) in cash; or

(2) by shares.

Listing Rules Appendix 3 Paragraph 3(1)

The Company shall calculate, declare and pay dividends and other amounts which are payable to holders of domestic shares in Renminbi within 3 months after the date on which the dividend is declared. The Company shall calculate and declare dividends and other payments which are payable to holders of Overseas-Listed Foreign-Invested Shares in Renminbi, and shall pay such amounts in the local currency of the place in which such Overseas-Listed Foreign-Invested Shares are listed (if such shares are listed in more than one place, then the currency of the principal place on which such shares are listed as determined by the board of directors) within 3 months after the date on which the dividend is declared. Any paid share capital before call for the share capital is made can enjoy interest. However, the shareholder is not entitled to be distributed dividends of such pre-paid share capital.

The Company shall pay dividends and other amounts to holders of Foreign-Invested Shares in accordance with the relevant foreign exchange control regulations of the State. If there is no applicable regulation, the applicable exchange rate shall be the average closing rate for the relevant foreign currency announced by the People's Bank of China during the week prior to the announcement of payment of dividend and other amounts.

When distributing dividends to its shareholders, the Company shall, in accordance with the tax law of the PRC, withhold and pay on behalf of shareholders the tax payable on their dividend income.

The Company shall appoint receiving agents on behalf of the holders of overseas listed foreign-invested shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of such shares.

The receiving agents appointed by the Company shall satisfy the relevant requirements of the laws of the place and relevant regulations of the stock exchange where the Company's shares are listed.

The receiving agents appointed on behalf of holders of overseas-listed foreign

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prejudice to the firm's right to claim, if any, for damages in respect of such removal.

The remuneration of a certified public accountants' firm or the manner in which such firm is to be remunerated shall be determined by the shareholders in general meeting. The remuneration of a certified public accountants' firm appointed by the Board shall be determined by the Board.

Mandatory Provisions Article 146

The Company's appointment of, removal of and non-reappointment of a certified public accountants' firm shall be resolved by shareholders in general meeting. The resolution of the shareholders' general meeting shall be filed with the CSRC.

Mandatory Provisions Article 147
Zheng Jian Hai Han [1995]No.1 Article 9

Where it is proposed that any resolution be passed at a shareholders' general meeting concerning the appointment of a certified public accountants' firm, which is not an incumbent firm, to replace an existing accountant's firm or to fill a casual vacancy in the office of the certified public accountants' firm, or to reappoint a retiring certified public accountants' firm which was appointed by the Board to fill a casual vacancy, or to remove the certified public accountants' firm before the expiration of its term of office, the following provisions shall apply:

Hong Kong Listing Rules Appendix 13 Part D Paragraph 1(e)(i)

(1) A copy of the proposal about appointment or removal shall be sent to the firm proposed to be appointed or proposing to leave its post or the firm which has left its post in the relevant fiscal year before notice of meeting is given to the shareholders.

Leaving includes leaving by removal, resignation and retirement.

(2) If the leaving firm makes representations in writing and requests the Company to notify the shareholders of such representations, the Company shall (unless the representations are received too late):

(a) in any notice given to shareholders about a resolution to be made, state the representations that has been made by the accountants' firm which is about to leave; and

(1) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or

(2) a statement of any matters of which an account should be given.

Where a notice is deposited under the preceding paragraph, the Company shall within fourteen (14) days send a copy of the notice to the competent authority. If the notice contains a statement referred to in subparagraph (2) above, a copy of such statement shall be placed at the Company's registered office for shareholders' inspection. The Company shall also send a copy of such statement to every holder of overseas-listed foreign-invested shares by prepaid post, and it shall be sent to the addresses recorded in the register of shareholders.

Where the notice of resignation of a certified public accountants' firm contains a statement of any matters of which an account should be given, the certified public accountants' firm may require the Board to convene a shareholders' extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.

The Company's various types of insurance shall be taken out with the People's Insurance Company (Group) of China Limited or other insurance companies that are registered in the PRC and are permitted by the PRC laws to provide insurance to Chinese companies. The types of coverage, the insured amounts, periods and other terms shall be discussed and decided by the Board by reference to the practices of peer companies in other countries and the practices and legal requirements in the PRC.

The Company establishes a staff policy that is applicable to the actual conditions of the Company, based on the relevant requirements under the "Labour Law of the People's Republic of China".

The Company may at its discretion employ and dismiss employees based on the business development needs of the Company and in accordance with the requirements of the laws and administrative regulations of the State and implement the contract system.

The Company may formulate its labour and payroll systems and payment methods in accordance with the relevant laws and regulations of the State and the economical benefits of the Company.

The Company shall endeavour to improve its employee benefits and to continually improve the 0(d )-10(y1rkbus)-1(n)g2(s)2( e)6(an)v0(ei-4(r)20(o)-1(n)-1(me)9(n)6(t)4( an)6(d
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certain fund to the trade union every month based on the actual situation. Such funds shall be used by the trade union of the Company in accordance with the Measures for the Management of Trade Union Funds formulated by the All China Federation of Trade Unions.

In the event of the merger or division of the Company, a plan shall be proposed by the Board of the Company and shall be approved in accordance with the procedures stipulated in the Articles of Association and the relevant examining and approving formalities shall be processed as required by law. Shareholders who oppose the plan of merger or division of the Company shall have the right to request that the Company or the shareholders who consent to such plan 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.

The aforesaid document should also be dispatched to the holders of overseas-listed foreign-invested shares by mail. The recipient's address should be based on the information contained in the register of shareholders.

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

Mandatory Provisions Article 150 Hong Kong Listing Rules Appendix 3 Paragraph 7(1)

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 ten (10) days of the date of the Company's resolution on merger and shall make newspaper announcement specified by the CSRC within thirty (30) days of the date of the Company's resolution on merger.

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

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

In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution on division and shall make a newspaper announcement within thirty (30) days of the date of the

Where the Company is dissolved under subparagraphs (1), (3) and (4) of the preceding Article, a liquidation committee shall be set up within fifteen (15) days of the occurrence of the dissolution events and commence liquidation afterwards, and its members shall be

first announcement, declare their claims to the liquidation committee. Any undeclared claims after the due date shall be deemed to have it waived. 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 liquidation period, the liquidation committee shall exercise the following functions and duties:

(1) to ascertain the Company's assets and separately prepare a balance sheet and an inventory of assets;

(2) to notify creditors by sending notice or by making announcement;

(3) to deal with and settle the Company's outstanding business deals in relation to the liquidation;

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

(5) to ascertain all claims and debts;

(6) to dispose of the remaining assets of the Company after the repayment of debts; and

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

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The remaining assets of the Company after repayment of its debts in accordance with the provisions above shall be distributed to the shareholders of the Company according to the class of shares held by them and in proportion to their respective shareholdings.

During the liquidation period, the Company shall not carry out any new business activities.

In the event of Company's liquidation owing to dissolution, if the liquidation committee, after ascertaining the Company's assets and preparing a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to repay its debts, it

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change relating to the registered particulars of the Company, application shall be made for change in registration in accordance with law.

The Company shall act according to the following principles to settle disputes:

(1) Whenever any disputes or claims arise between holders of the overseas-listed foreign-invested shares and the Company, holders of the overseas-listed foreign- -

If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre.

(3) If any disputes or claims of rights prescribed in subparagraph (1) above are referred to arbitration, the laws of the People's Republic of China shall apply, save as otherwise provided in laws and administrative regulations.

(4) The judgement of an arbitration body shall be final and conclusive and binding on all parties.

Unless otherwise stated in this Articles of Association, the notices, information or written statements issued by the Company to the shareholders of the overseas listed foreign shares listed in Hong Kong shall be despatched to such shareholders by hand or by mail to the addresses of such shareholders as shown in the register of the overseas listed foreign shareholders (whether such registered addresses are within Hong Kong or in regions outside

Any notice, document, information or written statement given by a

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Nanjing Sample Technology Group Company Limited (Seal)
Authorized representative(Signature)

Jiangsu Red Stone Technology Corporation (Seal)
Authorized representative(Signature)

Active Gold Holding Limited(Seal)
Authorized representative(Signature)

Nanjing Sample Technology Commerce City Company Limited (Seal)
Authorized representative(Signature)

Jiangsu Ruihua Investment Holding Group Company Ltd.
Authorized representative(Signature)

Sha Min (Signature)