

XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD GENERAL MEETING RULES

CHAPTER I GENERAL PROVISIONS

Article 1 These rules of procedures are formulated by Xinhua Winshare Publishing and Media Co., Ltd. (the “Company”) in accordance with laws, regulations and regulatory rules, including the Company Law, the Securities Law, the Rules for the General Meeting of Shareholders of Listed Companies and Articles of Association of Xinhua Winshare Publishing and Media Co., Ltd. (the “Articles of Association”), to regulate the acts of the Company and to ensure the legal performance of its functions and duties by general meeting of the Company.

Article 2 These rules are applicable to general meetings of the Company, and binding upon the Company, Shareholders, proxies of the Shareholders, Directors and Senior Management and other relevant personnel who attend or are present at the general meetings.

Article 3 All the Shareholders legally and validly holding shares of the Company are entitled to attend the general meetings in person or by proxy and to legally enjoy various rights as a shareholder, such as the right to know, the right to speak, the right to inquire and the right to vote.

Article 4 Shareholders, proxies of Shareholders and other personnel attending the general meetings shall strictly observe relevant laws, regulations, regulatory rules, the Articles of Association and these rules, and keep order consciously of the meeting, and shall not infringe upon the legitimate rights and interests of other Shareholders.

Article 5 The general meetings shall exercise the authorities stipulated by laws and regulations including the Company Law, regulatory rules and the Articles of Association, and shall not interfere with the Shareholders’ disposal of their own rights.

Article 6 The Company’s Board of Directors shall strictly observe the provisions of laws and regulations including the Company Law, regulatory rules and the Articles of Association on convening a general meeting, and earnestly organize the meetings as scheduled. All the Directors of the Company owe fiduciary duties in relation to the successful convening of the general meetings, and shall not prevent the general meetings from legally exercising their authorities.

Article 7 The Company shall, on the premise of ensuring that the general meetings comply with relevant laws, regulations, regulatory rules and the Articles of Association, through various means and channels including taking full advantage of up-to-date information technology, improve the participation ratio of Shareholders at the general meetings.

Article 8 When the Company calls a general meeting, it shall retain attorneys on PRC laws to issue a legal opinion on the following matters and announce the same:

- (1) whether the procedures for convening and holding the meeting are consistent with relevant laws, administrative regulations, the Articles of Association and these rules;

- (2) whether the qualifications of the persons attending meeting and of the convener are lawful and valid;
- (3) whether the voting procedure at and the voting results of the meeting are lawful and valid; and
- (4) other relevant issues as requested by the Company.

CHAPTER II FUNCTIONS AND POWERS OF THE GENERAL MEETINGS

Article 9 The general meeting is the organ of authority of the Company and shall legally exercise the following functions and powers:

- (1) to decide on the development strategy and planning of the Company;
- (2) to elect and replace Directors who are not employee representatives and to fix the remuneration of the relevant Directors;
- (3) to consider and approve the reports of the Board;
- (4) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (5) to adopt resolutions on any increase or reduction of registered capital of the Company;
- (6) to adopt resolutions on matters such as merger, division, application for bankruptcy, conversion of corporate form of the Company, dissolution and liquidation;
- (7) to adopt the resolutions on issue, listing or voluntary de-listing of the bonds or other securities issued by the Company;
- (8) to adopt resolutions on the appointments or dismissals of accounting firms that undertakes the Company's auditing business;
- (9) to amend the Articles of Association;
- (10) to consider and approve the alteration to the intended use of the funds raised in the issuing of A shares;
- (11) to consider the share incentive scheme and employee stock ownership plans of the Company;
- (12) to consider matters relating to the purchases and disposals of the Company's material assets which account for 30% or more of the Company's latest audited total assets within one (1) year;
- (13) to adopt resolutions on external guarantees and financial assistance requiring the approval of the general meeting pursuant to laws, regulations, regulatory rules and the Articles of Association;

- (14) to consider transactions such as the external investments, financing, acquisitions or sales of assets, asset pledges, entrusted asset management, external donations, connected transactions and other major matters that are subject to deliberation by the general meeting in accordance with laws, regulations, regulatory rules, the Articles of Association or these rules;
- (15) other matters required by relevant laws, regulations, regulatory rules and the Articles of Association to be resolved at the general meeting.

The general meeting may authorize the Board to make resolutions on the issue of corporate bonds.

Matters that shall be determined at the general meeting in accordance with relevant laws, regulations, regulatory rules and the Articles of Association must be reviewed at relevant general meeting(s) for the purpose of safeguarding the right of Shareholders to decide on such matters. Where necessary, reasonable and conforming to relevant laws, regulations, regulatory rules and the Articles of Association, the general meeting may authorize the Board to determine, within the scope of authorization as to be granted by such general meeting, specific issues relating to matters that shall be resolved but can not be decided upon immediately at such meeting. The general meeting shall strengthen the assessment and management of authorized matters. Without the consent of the general meeting, the Board shall not delegate matters granted decision-making authority by such meeting to other governance bodies. If any Shareholder(s) has, in accordance with laws, regulations, regulatory rules and the Articles of Association, a related party relationship with the matters to be voted upon, such Shareholder(s) shall abstain from voting on these matters and not appoint any proxies to vote on these matters on his/her behalf.

Where the authorization granted by the general meeting to the Board is related to a matter subject to an ordinary resolution, it shall be passed by votes representing more than half of the voting rights of the Shareholders (including proxies) present at the general meeting; where it is related to a matter subject to a special resolution, it shall be passed by votes representing more than two-thirds of the voting rights of the Shareholders (including proxies) present at the general meeting. The substance of the authorization granted by the general meeting to the Board shall be clear and specific.

Article 10 The following external guarantees of the Company are subject to deliberation and approval of the general meeting:

- (1) any guarantees provided after the total amount of external guarantees of the Company and the subsidiaries controlled by it has reached or exceeded 50% of the latest audited net assets of the Company;
- (2) any guarantees provided after the total amount of external guarantees of the Company and the subsidiaries controlled by it has reached or exceeded 30% of the latest audited total assets of the Company;
- (3) a guarantee provided for other parties with an asset to liability ratio in excess of 70%;
- (4) any guarantee, the amount of which when aggregated on a cumulative basis for twelve consecutive months, is in excess of 30% of the latest audited total assets of the Company;

- (5) any guarantee, the amount of which when aggregated on a cumulative basis for twelve consecutive months, is in excess of 50% of the latest audited net assets of the Company, and the absolute amount of which is over RMB50 million;
- (6) a single guarantee with amount in excess of 10% of the latest audited net assets of the Company;
- (7) a guarantee to be provided in favour of the Shareholders, de facto controllers and their related parties; and
- (8) other external guarantees requiring the approval of the general meeting pursuant to laws, regulations, regulatory rules and the Articles of Association.

CHAPTER III SYSTEM OF GENERAL MEETING

Article 11 The general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meetings shall be convened once a year, within six (6) months following the end of the previous fiscal year. There is no stipulation on the number of extraordinary general meetings to be convened each year.

Article 12 An extraordinary general meeting is to be convened, within two (2) months after the occurrence of any of the following events:

- (1) the number of Directors is less than the minimum number specified in the Company Law, or less than two-thirds of the number specified in the Articles of Association;
- (2) the uncovered losses reach one-third of the Company's total share capital;
- (3) Shareholders that hold, individually or collectively, more than 10% of the shares in the Company request to hold such a meeting in writing;
- (4) the Board considers it necessary;
- (5) the Audit Committee proposes to hold such a meeting; or
- (6) other circumstances under relevant laws, regulations, regulatory rules or the Articles of Association.

The number of shares in clause (3) hereinabove shall be calculated as at the date of the written request of the relevant Shareholder.

Article 13 Where the general meeting cannot be convened within the period specified hereinabove, the Company shall report to the local agency of the securities regulatory authorities of the State Council and the stock exchange (if necessary) at the domicile of the Company, and announce the explanations on the reasons.

Article 14 The general meetings are to be held at the domicile of the Company or other places specified in the notices of relevant meetings.

The Company shall arrange for the venue for an on-site meeting to be held. In compliance with laws, regulations, regulatory rules and the Articles of Association, the Company could also provide Internet or other means for the convenient attendance of the Shareholders, and clearly state the voting time, procedures and the means to identify the Shareholders in the notice of the general meeting. Such Shareholders as attend the meeting by the aforesaid means shall be deemed presence.

CHAPTER IV CONVENING OF THE GENERAL MEETING

Article 15 The general meeting shall be legally convened by the Board, unless otherwise provided in these rules.

Article 16 With the consent of a majority of all independent non-executive Directors, the independent non-executive Directors have the right to propose the Board to convene extraordinary general meetings. The Board shall, upon receiving such proposal from the independent non-executive Directors, reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten (10) days in accordance with the requirements of relevant laws, regulations, regulatory rules and the Articles of Association.

If the Board agrees to convene an extraordinary general meeting, the notice convening the meeting shall be issued within five (5) days after the Board resolves to do so. If the Board does not agree to convene such an extraordinary general meeting, reasons shall be explained and announced.

Article 17 The Audit Committee has the right to propose the Board to convene extraordinary general meetings and such proposal shall be made by way of written request (s). The Board shall, upon receiving the proposal, reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten (10) days in accordance with the requirements of relevant laws, regulations, regulatory rules and the Articles of Association.

If the Board agrees to convene an extraordinary general meeting, the notice convening the meeting shall be issued within five (5) days after the Board resolves to do so. Should there be any alterations to the original proposal in the notice, consent has to be obtained from the Audit Committee.

If the Board does not agree to convene such an extraordinary general meeting or does not reply within ten (10) days upon receiving the proposal, the Board will be considered as unable to fulfill or failing to fulfill the obligation to convene general meetings and the Audit Committee may convene and preside over the meeting on its own.

Article 18 Shareholders individually or jointly holding more than 10% of the voting shares in the Company (the “Proposing Shareholders”) shall have the right to request the Board to convene an extraordinary general meeting. Such request shall be made in writing to the Board. The Board shall make a written response as to whether or not it agrees to convene such a meeting within ten (10) days upon receipt of the request in accordance with the requirements of relevant laws, regulations, regulatory rules and the Articles of Association. The aforesaid number of shares shall be calculated as at the date of the written request of the relevant Shareholders.

If the Board agrees to convene an extraordinary general meeting, a notice shall be issued within five (5) days after the the Board resolves to do so. Changes made to the original request shall be approved by the Proposing Shareholders.

If the Board refuses or does not give any response within ten (10) days upon receipt of the request, the Proposing Shareholders shall have the right to propose to the Audit Committee to convene such an extraordinary general meeting. Such proposal shall be made in writing.

If the Audit Committee agrees to convene an extraordinary general meeting, a notice shall be issued within five (5) days upon receipt of the proposal. Changes made to the original proposal shall be approved by the Proposing Shareholders.

If the Audit Committee fails to give the notice within the specified time limit, it shall be deemed to have failed to convene and preside over the meeting, in which case, Shareholders who either individually or jointly hold more than 10% shares of the Company for more than ninety (90) consecutive days (the “Convening Shareholders”) shall have the right to convene and preside over the meeting by themselves. The procedures for convening such meeting shall be the same as those for the Board.

Article 19 Where the Audit Committee or the Proposing Shareholders decide to convene general meetings by itself/themselves, it/they shall notify the Board in writing and file with the relevant regulatory authority in accordance with the applicable guidelines.

The shareholding in the Company of the Convening Shareholders shall not be less than 10% prior to the announcement of resolutions of the relevant general meetings.

The Audit Committee or the Convening Shareholders shall submit relevant supporting documents to the relevant regulatory authority in accordance with the applicable guidelines upon the issuance of notice for the general meeting and the announcement of resolutions of such meeting.

Article 20 The Board and the Secretary to the Board shall cooperate when the Audit Committee or the Shareholders convene a general meeting on its or their own. The Board shall provide the register of Shareholders as at the record date. If the Board fails to provide the register of Shareholders, the convener of the general meeting (the “Convener”) may apply to the securities registration authority with the notice of the general meeting for the same. The register of Shareholders obtained by the Convener may not be used for purposes other than convening the general meeting.

Article 21 Where the Audit Committee or the Shareholders convene a general meeting on its or their own, all the necessary costs incurred shall be borne by the Company.

CHAPTER V NOTICE AND REGISTRATION OF GENERAL MEETING

Article 22 The Company shall notify all Shareholders by way of announcement at least 21 days prior to the convening of an annual general meeting. For an extraordinary general meeting, notice shall be given by way of announcement at least 15 days prior to the meeting. Where laws, regulations, or regulatory rules provide otherwise, such provisions shall prevail.

In calculating the time for issuing notice, the day of the meeting and the day on which the notice is issued shall not be included.

Article 23 The notice of a general meeting shall be in writing or in other forms as stipulated by the relevant laws, regulations and regulatory rules, and include the following:

- (1) the time, venue and duration of the meeting;
- (2) shall contain the share registration date of Shareholders who are entitled to attend the meeting;
- (3) shall state the matters and proposals to be discussed at the meeting;
- (4) shall contain conspicuously a statement that all the Shareholders are entitled to attend the meeting, a Shareholder entitled to attend and vote is entitled to appoint in writing one (1) or more proxies to attend and vote for and on his/her behalf and that a proxy need not be a Shareholder;
- (5) shall state the name and telephone number of the regular contact person of the meeting; and
- (6) Other matters stipulated by laws, regulations, regulatory rules and the Articles of Association. The interval between the share registration date and the date of the meeting shall not exceed seven (7) working days. Once the share registration date is confirmed, it shall not be altered.

Where a general meeting is held over network or other means, the notice of the meeting shall specify the voting time and voting procedure over network or other means.

Article 24 The notice of a general meeting shall be publicly disclosed. Where laws, regulations, or listing regulatory rules provide otherwise regarding the method of delivery, such provisions shall prevail. The address of the recipient shall be the registered address as shown on the register of members.

For Shareholders of domestic shares, if the notice is given by public announcement, it shall be published in one (1) or more newspapers designated by the securities regulatory authority of the State Council. After the publication of the public announcement, all the Shareholders of domestic shares shall be deemed to have received the notice of relevant general meeting. Subject to relevant laws, regulations and regulatory rules, notice of the general meeting to the Shareholders of overseas listed foreign shares may be given by public announcement on the Company's website or on websites designated by the securities regulatory authority or stock exchange. After the publication of the public announcement, all the relevant persons shall be deemed to have received the notice.

Article 25 The accidental omission to give notice of a general meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions passed at the meeting.

Article 26 The Company shall disclose or deliver information related to the general meeting in accordance with laws, regulations, regulatory rules, and the Articles of Association. When matters concerning the election of Directors who are not employee representatives will be discussed at the meeting, the notice of the general meeting shall disclose detailed information about the Director candidates who are not employee representatives and shall at least include the followings:

- (1) personal information including educational background, working experience, and any part-time professions, etc.;
- (2) any related party relationship between them and the Company, its controlling Shareholder(s) or de facto controller;
- (3) their shareholdings in the Company;
- (4) whether or not they have been subject to any punishment by the securities regulatory authorities of the State Council or other related authorities or stock exchanges; and
- (5) other matters which shall be disclosed pursuant to laws, regulations, regulatory rules and the Articles of Association.

Unless a Director who is not an employee representative is elected by the cumulative voting system, each Director candidate who is not an employee representative shall be proposed via a single resolution.

Article 27 After giving the notice of the general meeting, the meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the event that the general meeting is to be postponed or cancelled, the Convener shall make announcement at least two (2) working days prior to the original date of the general meeting and explain the reasons, or where there are stricter provisions in laws, regulations, regulatory rules and the Articles of Association, such provisions shall prevail.

Article 28 All Shareholders in the Shareholders' register on the share registration date or proxies thereof shall be entitled to attend the general meetings, and exercise voting rights pursuant to laws, regulations, regulatory rules and the Articles of Association. 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/her proxy to attend, speak and vote at the meeting on his/her behalf. The proxy so appointed by the Shareholder may, pursuant to the instructions of the Shareholder, exercise the following rights:

- (1) the right of the Shareholder to speak at the meeting;
- (2) the right of the Shareholder to demand or join in demanding a poll;
- (3) unless otherwise required by laws, regulations, regulatory rules and the Articles of Association, the right to vote by hand or on a poll, but a proxy of a Shareholder who has appointed more than one proxy may only vote on a poll; and
- (4) other rights conferred by laws, regulations, regulatory rules and the Articles of Association.

If the said Shareholder is a recognized clearing house as defined under the laws of Hong Kong (hereinafter referred to as the Recognized Clearing House), or its nominees, the Shareholder may authorize one (1) or more suitable person to act as his/her representative at any general meeting or at any class meeting; however, if more than one (1) person are authorized, the power of attorney shall clearly indicate the number and types of the stocks involved by way of the said authorization. The persons after such authorization may represent the Recognized Clearing House (or its nominees) to exercise the rights, as if they were the individual Shareholders of the Company.

Article 29 The Board of the Company, independent non-executive Directors, Shareholders holding more than 1% of the shares carrying the right to vote, or investor protection institutions established in accordance with laws, administrative regulations, or the provisions of the securities regulatory authorities of the State Council may publicly request Shareholders to authorize them to attend general meetings on their behalf and exercise shareholder rights such as proposal submission and voting. Unless otherwise provided by laws and regulations, the Company and the Convener of the general meeting shall not impose conditions on such solicitors. The request and solicitation of the Shareholders' rights shall be conducted on a nil consideration basis, and the full disclosure of information required for Shareholders to grant a authorization should be made to the person being summoned. Consideration or de facto consideration for soliciting Shareholders' rights is prohibited.

Article 30 Individual Shareholder attending the meeting in person shall present his/her identity card or valid document that can prove his/her identity and share certificate. The Company has the right to request proxies (representing individual Shareholders) who attend the meeting to present their identity cards, written proxy or authorization letter signed by the appointer or the legal representative of the appointer and their share certificates.

If corporate Shareholders (other than Recognize Clearing House or their proxies) appoint its legal representative attending the meeting, the Company has the right to request such legal representative to present their personal identity cards or valid documents that can prove its identity as the legal representative. A proxy attending the meeting shall present his/her identity card and written proxy or authorization letter issued by the legal representative of the corporate Shareholder and share certificate.

Article 31 The instrument appointing a proxy must be in writing under the hand of the Shareholder or his/her attorney duly authorized in writing; for a corporate Shareholder, the proxy must be affixed with the common seal or signed by its Director or attorney or officer duly authorized in writing. Such letter of attorney shall state the number of shares represented by the proxy. If several proxies are appointed, such letter of attorney shall clearly indicate the number of shares represented by each proxy.

The proxy form to appoint a proxy to attend any general meeting by a Shareholder shall contain the following:

- (1) the name or title of the principal, and the type and number of shares held;
- (2) the name or title of the proxy;
- (3) whether or not the proxy has any voting right;

- (4) specific directions given by the Shareholder(s), including direction to vote for or against or abstain from voting on each and every issue included in the agenda of the general meeting;
- (5) the date of issue and validity period of the proxy form; and
- (6) signature (or seal) of the appointer. If the appointer is a corporate Shareholder, the corporate seal shall be affixed.

The proxy form shall contain a statement that in the absence of instructions by the Shareholder, his/her proxy may vote as he/she thinks fit.

Article 32 Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting twenty-four (24) hours before the relevant meeting for voting according to the proxy form, or twenty-four (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.

Article 33 Where the appointer is deceased, is incapacitated to act, has withdrawn the 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.

Article 34 The meeting register of attendees shall be prepared by the Company. The meeting register shall state, among others, particulars such as the names and identification number of attendees, the number of voting shares held or represented and the name of the appointer etc.

Article 35 The Convener and the lawyer engaged by the Company shall jointly examine the legality of the Shareholder's qualification according to the Shareholder register provided by the securities registration and clearing authority, and register the names of the Shareholders as well as the amount of their voting shares. The registration of general meeting shall be terminated before the presider of the meeting announces the number of Shareholders and proxies that attend the meeting and the total amount of their voting shares.

CHAPTER VI PROPOSALS OF GENERAL MEETING

Article 36 Proposals put forward in the general meeting are specific resolutions concerning the businesses to be discussed in the general meeting. The general meeting shall resolve on such specific resolutions.

Article 37 Proposals for general meeting shall satisfy the following conditions:

- (1) The content shall be in compliance with laws, administrative regulations, and the Articles of Association, and shall fall within the terms of reference of a general meeting;
- (2) The proposal shall have a clear subject for discussion and specific issues for resolution; and
- (3) The proposal shall be submitted or delivered to the Convener in written form.

Article 38 When the Company convenes a general meeting, the Board, the Audit Committee, and Shareholders individually or jointly holding not less than 1% of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding not less than 1% of the Company's shares may submit an *ex tempore* proposal in writing to the Convener ten (10) days prior to date of the meeting. The Convener shall dispatch a supplementary notice of the general meeting and announce the contents of such *ex tempore* proposal within two (2) days upon receipt of the proposal and submit the *ex tempore* proposal to the general meeting for review, except for any *ex tempore* proposal that violates the provisions of laws, administrative regulations, or the Articles of Association, or any proposal that falls outside the function and power of the general meeting. Where regulatory rules provide otherwise, such provisions shall also be complied with.

Unless otherwise stated above, the Convener shall not change the proposals listed in the notice of general meeting or add any new proposals after the notice of general meeting is circulated.

A general meeting shall not vote and resolve on any proposals which are not listed in the general meeting notice or in compliance with these rules.

Article 39 Means and procedures of nomination of Director who is not an employee representative are as follows:

- (1) During the election of the Board, the proposed list of candidates of Directors who are not employee representatives may be put forward by the previous Board, provided that the number of nominees shall comply with the provisions of the Articles of Association and shall not be more than the number of proposed candidates.
- (2) The existing Board shall propose the recommended candidate list according to the numbers of Directors who are not employee representatives subject to provisional addition and re-election.

- (3) Shareholder(s) severally or jointly holding more than 1% of the Company's shares may also propose a nomination list of the candidates for Directors who are not employee representatives, while an investor protection institution established according to laws may publicly request Shareholder(s) to entrust it to exercise the right to propose a nomination list of the candidates for non-executive Directors. Where the aforementioned nominator(s) put forward the nomination list as a provisional proposal to the general meeting for review, the same shall be submitted together with the biography and general information of the nominated candidates to the Board ten (10) days before the meeting, and shall be examined and approved by the Board pursuant to item (4) of this Article.
- (4) The qualifications and conditions of Directors who are not employee representatives are reviewed by the Board. After the list of candidates for Directors who are not employee representatives is determined according to the examination by the Board and the adoption of a resolution, it shall be proposed at a general meeting by way of a written proposal. The Board shall provide the general meeting with the biography and general information of such Director candidates who are not employee representatives.
- (5) Director candidates who are not employee representatives shall give written undertaking before the convening of general meeting to give consent to their nomination, undertaking that the information of candidates disclosed is true and complete, and ensuring that the obligations of Director are duly performed after being elected.
- (6) With respect to the election of Directors who are not employee representatives at the general meeting, resolutions shall be made separately, except where cumulative voting is applied.
- (7) Where the proposal of electing the Directors who are not employee representatives has been approved, the newly appointed Directors shall hold the post immediately after the general meeting.

The nomination of employee representative Directors shall be conducted in accordance with laws and regulations, regulatory rules, Article 121 of the Articles of Association, and relevant provisions of the Company.

Article 40 The proposal of the appointment or dismissal of an accountants' firm shall be raised by the Board following the consideration and approval of the Audit Committee of the Board and approved by the general meeting. When the Company dismisses or does not renew the appointment of an accountants' firm, it shall give an advance notice to the accountants' firm, and clarify the reason to the general meeting in accordance with the provisions of the laws, regulations and regulatory rules. The accountants' firm shall have the right to present its views to the general meetings.

CHAPTER VII CONVENING OF GENERAL MEETINGS

Article 41 The Company shall adopt the principle of simplicity to convene a general meeting and shall not pay additional economic benefits to the attending Shareholders (or their proxies).

Article 42 If the general meeting requires the Directors and Senior Management to attend the meeting, the Directors and Senior Management shall attend the meeting and answer the Shareholders' inquiries.

Article 43 A general meeting shall be presided over by the chairman of the Board who shall act as the chairman of the meeting. If the chairman of the Board cannot or fails to fulfill the duty thereof, the vice chairman of the Board shall preside (where the Company has two (2) or more vice chairmen of the Board, one (1) vice chairman shall be elected to preside over the meeting with the approval of more than half of the Directors); if the vice chairman cannot or fails to fulfill the duty thereof, one (1) Director shall be jointly elected to preside over the meeting with the approval of more than half of the Directors; if it fails to elect a Director from more than half of the Directors to preside over the meeting, one (1) Shareholder shall be jointly elected to preside over the meeting from Shareholders attending the meeting. If, for any reason, the attending Shareholders fail to elect one to be the chairman, the attending Shareholder (or his/her proxy) who holds the most voting shares shall be the chairman of the meeting.

A general meeting convened by the Audit Committee is to be presided over by the convener(s) of the Audit Committee. Where the convener(s) of the Audit Committee is unable or fails to perform the duty, the meeting is to be presided over by a member of the Audit Committee jointly elected by more than a half of the members of the Audit Committee.

A general meeting convened by Shareholders is to be presided over by the convener(s) or the representative appointed by convener(s).

In the event that the general meeting cannot proceed due to violation of these rules of procedures by the chairman of the meeting, the meeting may appoint one person as the chairman of the meeting upon consent of a simple majority of the voting Shareholders present at the meeting.

Article 44 The Board of the Company and other conveners will take action necessary to ensure the solemnity and regular order of general meetings. Except for the attending Shareholders (or their proxies), Directors, Senior Management, the lawyers retained and the persons invited by the Board, the Company reserves the right to refuse entry of other people into the venue of the meeting(s) in accordance with the laws. Any act of disturbing the order of general meetings, picking a quarrel and infringing other Shareholders' interest shall be prevented by the Company by taking necessary measures and reporting to the competent authority for investigating on time.

Article 45 At an annual general meeting, the Board and each independent non-executive Director shall report their work in the past year, respectively.

Article 46 When a Certified public accountant issues an audited report with explanatory statement, qualified opinion or cannot give opinion or negative opinion to the Company's financial report, the Board of the Company has to explain the matters for causing the accountant issue such report and the influence on the operation to the Shareholders.

Article 47 A general meeting shall begin at the scheduled time. After announcing that the meeting has begun, the chairman of the meeting shall first report the number of shareholders and proxies attending the meeting in person and the total number of their voting shares. The registration of the number of shareholders and proxies attending the meeting in person and the total number of their voting shares in the meeting shall prevail.

Article 48 The chairman of the meeting starts to read out the proposals or designate others to read them out after making report, and shall make explanations on the proposals according to the following requirements as necessary:

- (1) where the Board raises the proposals, the chairman of the Board or anyone else designated by him/her shall make an explanatory statement on the proposals; and
- (2) where others raise the proposals, the person raising the proposals or his/her legal representative or proxies of the Shareholders shall make an explanatory statement on the proposals.

Article 49 Shareholders attending general meetings have the right to request for expressing their opinions, either in writing or orally.

Article 50 Shareholders or proxies requesting for expressing their opinions shall register with the secretary to the Board or the chairman of the meeting before voting. The sequence for the expression of opinions shall be in the order of aforesaid registration. With respect to each proposal, the number of persons registering for expressing their opinions is generally not more than 10 and each Shareholder shall not express his/her opinion more than twice.

Article 51 The Board shall consider with due care and make arrangement for the matters to be considered at general meetings, and sufficient time for discussion will be given to each matter proposed.

CHAPTER VIII VOTING AND RESOLUTIONS OF GENERAL MEETINGS

Article 52 There shall be two types of resolutions of general meetings, namely ordinary resolutions and special resolutions.

To adopt an ordinary resolution, votes representing more than one-half of the voting rights represented by the Shareholders (including proxies) present at the meeting must be exercised in favor of the resolution in order for it to be passed.

To adopt a special resolution, votes representing more than two-thirds of the voting rights represented by the Shareholders (including proxies) present at the meeting must be exercised in favor of the resolution in order for it to be passed.

Article 53 A Shareholder (including his/her proxy) when voting at a general meeting may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one (1) vote.

When the general meeting considers significant matters that could affect the interests of medium and small investors, the votes by medium and small investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.

The shares held by the Company have no voting rights, and that part of the shareholding is not counted as the total number of shares with voting rights held by shareholders attending the meeting.

If a Shareholder's purchase of shares carrying voting rights of the Company violates the provisions of Article 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares carrying voting rights present at the general meeting within thirty-six (36) months after the purchase.

Article 54 The following resolutions shall be adopted as ordinary resolutions at a general meeting:

- (1) working reports of the Board;
- (2) profit distribution proposals and plans for making up losses formulated by the Board;
- (3) the appointment and removal of members of the Board and their remuneration and payment methods;
- (4) the appointments or dismissals of accounting firms that undertakes the Company's auditing business;
- (5) to consider and approve the alteration to the intended use of the funds raised in the issuing of A shares;
- (6) external guarantees and financial assistance that shall be reviewed by the general meeting and do not require to be adopted as special resolutions in accordance with laws, regulations, and regulatory rules;
- (7) transactions, connected transactions and other substantial matters that are subject to review and approval by special resolutions at the general meeting in accordance with the laws, regulations and regulatory rules; and
- (8) other matters unless otherwise required to be adopted as special resolutions in accordance with the laws, regulations, regulatory rules or the Articles of Association.

Article 55 The following resolutions shall be adopted as special resolutions at a general meeting:

- (1) increase in or reduction of registered capital and issuance of shares of any class, warrants and other similar securities of the Company, listing or voluntary de-listing;
- (2) division, spin-off, merger, dissolution and liquidation or change in corporate form of the Company;
- (3) amendments to the Articles of Association;
- (4) purchase or disposal of material assets or provision of guarantees to others made within a year, the amount of which exceeds 30% of the latest audited total assets of the Company;
- (5) share incentive scheme; and

(6) other matters, provided by laws, regulations, regulatory rules or the Articles of Association or considered by the general meeting, by way of an ordinary resolution, to have a substantial impact on the Company and to require approval by a special resolution.

Article 56 Unless in accordance with relevant laws, regulations, regulatory rules and the Articles of Association, a general meeting cannot resolve on matters that are not included in the notice of the meeting. When considering the motions specified in the notice of the meeting at the general meeting, no alteration to the motions will be allowed; otherwise, any changes should be deemed to be a new motion which cannot be resolved at this general meeting.

Article 57 Except for special circumstances such as a crisis, the Company is forbidden from entering into any contract with any person other than Directors and Senior Management to hand over all the management responsibilities or that of important businesses, unless it is approved through special resolution by the general meeting.

Article 58 When related party transactions are voted at the general meeting, the Shareholders who are related parties shall not participate in voting. The voting shares represented by them shall not be counted in the total number of shares validly voted.

A Shareholder who is a related party shall voluntarily abstain from voting in the general meeting, and the chairman of the meeting shall request the Shareholder who is a related party to abstain from voting. Any Shareholder who does not need to abstain from voting is entitled to request Shareholders who are related parties to abstain from voting.

The result of voting by non-related Shareholders shall be fully disclosed in the announcement of the resolution of the general meeting.

Article 59 The general meeting takes the votes by poll.

When the general meeting votes for election of Directors, the cumulative voting system may be adopted according to relevant laws, regulations, regulatory rules and the Articles of Association or the resolution of the general meeting. When the general meeting elects two (2) or more independent non-executive Directors or non-independent Directors, the cumulative voting system shall be adopted.

The cumulative voting system as referred to in the preceding paragraph means that when a general meeting elects Directors, each share carries the same number of voting right as the number of Directors to be elected, and the voting rights owned by shareholders may be cumulatively used.

Article 60 Other than the cumulative voting system, all proposals shall be voted one by one at the general meeting. Unless the general meeting is suspended or that a resolution cannot be made due to special reasons including force majeure, the general meeting shall not put off the proposals or refuse to vote on the proposals. If there are different proposals in relation to the same matter, the proposals shall be voted in sequence of the time of submission of the proposals.

When considering and approving the matters regarding the issuance of preference shares, the following matters shall be considered and approved separately:

(1) the type and number of preference shares;

- (2) method and placees of the issuance and arrangement of placing to existing shareholders;
- (3) nominal value, offer price or pricing range and the basis of pricing;
- (4) ways for holders of preference shares participating in profit distribution, including dividend rate and its basis, conditions for distribution of dividends, payment method of dividend, any accumulation of dividend and the right to participate in the distribution of remaining profits;
- (5) terms of repurchase, including the conditions, periods and price of repurchase and the basis of determination and the body to exercise the rights (if any);
- (6) use of proceeds;
- (7) conditional share subscription contract entered into between the Company and subscribers;
- (8) effective period of the resolution;
- (9) proposed amendments to the Articles of Association regarding the relevant terms of profit distribution policy for holders of preference shares and ordinary shareholders;
- (10) authorization to the Board to deal with the matters relating to the issuance;
- (11) other matters.

Article 61 The time of voting via internet or otherwise for the general meeting shall be no earlier than 3:00 p.m. on the day before the on-site meeting and no later than 9:30 a.m. on the day of the on-site meeting. The close of voting shall not be earlier than 3:00 p.m. on the day the onsite meeting ends.

Article 62 Shareholders attending the general meeting shall give one of the following comments to the proposals put forward for voting: for, against or abstain, unless securities registration and settlement institutions, as the nominal holders of Shares that can be traded through Shanghai-Hong Kong Stock Connect, make declarations according to the intention of actual holders.

If the voting slip has not been completed or has been completed incorrectly or that the writing is illegible or that the voting slip has not been cast, it shall be treated that the voter has renounced his/her voting rights and the poll results of the relevant number of shares held by him/her shall be counted as “abstain”.

Article 63 The same voting right shall only be exercised by attending meeting in person, via internet or any one of the other voting methods. The vote cast first shall prevail if repeated voting occurs in relation to the same voting right.

Article 64 Before a resolution is put to vote at a general meeting, two representatives of the Shareholders shall be appointed to count the votes as well as to act as scrutineer. If any Shareholder has connected relationship with the matter to be considered, such Shareholder and its proxy shall not participate in counting the votes nor act as scrutineer. At the time of voting on a resolution at a general meeting, legal advisers and representatives of Shareholders shall be jointly in charge of counting the votes as well as scrutinizing the voting process. The voting results on the resolutions decided at a general meeting shall be declared at the meeting and recorded in the minutes of the meeting.

Shareholders or proxies thereof voting via internet or otherwise shall have the right to check their voting results via the corresponding voting system.

Article 65 A general meeting shall not conclude earlier at the venue than via internet or otherwise. The chairman of the meeting shall announce the voting and results of the poll in the meeting, and announce whether or not a proposal shall be adopted according to the results of the poll.

Before the formal announcement of the results of the poll, all relevant parties including the company, vote counter, scrutineer, Shareholders, and internet service provider involved in the process, whether on the spot, via internet or otherwise, shall owe confidentiality obligation.

Article 66 In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to the vote, he/she may have the votes counted. In the event that the chairman of the meeting fails to have the votes counted, any Shareholder present in person or by proxy objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after declaration of the voting result, the chairman of the meeting shall have the votes counted immediately.

Article 67 The convener shall ensure that the general meeting may be continuously held within a reasonable period of time, until the final resolution shall be determined. In the event that the general meeting fails to convene as usual or determine any resolution as a result of force majeure events or other extraordinary reasons, necessary measures shall be adopted to resume the general meeting as soon as practicable or to directly terminate the meeting with a timely announcement. Concurrently, the convener shall report such incident to the local agency of the securities regulatory authorities of the State Council and the stock exchange at the domicile of the Company.

Article 68 The contents of each of resolutions adopted at the general meeting shall comply with laws, regulations, regulatory rules and the Articles of Association. Directors attending the meeting shall fulfill their responsibilities in good faith and ensure that the substance of the resolutions shall be true, accurate and complete. No representation which may easily result in misinterpretation thereof shall be used.

Article 69 Resolutions adopted at a general meeting that violate laws or administrative regulations are invalid. The controlling Shareholder(s) and actual controller(s) of the Company should not restrict or obstruct medium and small investors from exercising their legitimate voting rights, and should not prejudice the legitimate interests of the Company and minority investors. Where the convening procedures or voting method of a general meeting is in violation of laws, administrative regulations or the Articles of Association, or a resolution is in violation of the Articles of Association, Shareholders may request a people's court to revoke such resolution within sixty (60) days from the date on which such resolution is adopted, unless there are only minor defects in the convening procedures or voting methods of the general meeting, which has no substantive impact on the resolution. Where the Board, Shareholders and other relevant parties dispute the matters such as the legality of qualifications of the convener, the convening procedures and the proposal, and the validity of resolution passed at the general meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a judgment or ruling on revocation of the resolution, the relevant parties shall implement the resolution of general meeting. The Company, its Directors and Senior Management shall duly perform their duties and ensure normal operations of the Company. Where the People's Court has made a judgment or ruling on the relevant matter, the listing company shall perform information disclosure obligation pursuant to laws, administrative regulations, the provisions of the the securities regulatory authorities of the State Council and the stock exchange, provide adequate explanation on the impact and actively cooperate in enforcement of the judgment or ruling after it has come into effect. Where a correction of preliminary matter is involved, the correction shall be promptly made, and the corresponding information disclosure obligation shall be performed.

Article 70 Resolutions of a general meeting shall be announced in due time in accordance with laws, regulations, regulatory rules and the provisions of the Articles of Association. The announcement shall specify the number of Shareholders and proxies present, the total number of voting shares held by them and the percentage of such shares to the total number of the voting shares of the Company, means of voting, the voting result for each proposal and the details of each of the resolutions passed.

The attendance and the results of the poll of the Shareholders of domestic shares and overseas listed foreign shares shall be respectively counted and announced.

Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the announcement of the resolutions of the general meeting.

Article 71 Where a proposal on cash dividends, bonus shares or increase of share capital by way of transfer from capital reserves, the Company shall implement the specific scheme within two (2) months after conclusion of the general meeting.

CHAPTER IX MINUTES OF GENERAL MEETING

Article 72 The minutes of a general meeting shall be recorded by the secretary to the Board and include the followings:

- (1) the time, venue, agenda of meeting and the name of the Convener;
- (2) the names of the chairman of the meeting, Directors and Senior Management presenting the meeting;

- (3) the number of Shareholders and proxies present at the meeting, the total number of voting shares held by them and the percentage of such shares to the total number of shares of the Company;
- (4) the course of consideration, key points of speech and the results of the poll for each proposal;
- (5) enquiries or suggestions of Shareholders and the responses or explanations thereto;
- (6) the names of the lawyer, vote counter and scrutineer;
- (7) the number of shares carrying voting rights held by the Shareholders of domestic shares, Shareholders of domestic listed foreign shares, ordinary Shareholders (including holders of preference shares with restored voting rights) and class Shareholders attending the meeting, and the proportion of such shares to the total number of shares of the Company. When recording the results the poll, the voting of each resolution by Shareholders of domestic shares, Shareholders of domestic listed foreign shares, ordinary Shareholders (including holders of preference shares with restored voting rights) and class Shareholders shall also be recorded;
- (8) other information as required by laws, regulations, regulatory rules and the Articles of Association to be recorded in the minutes of the meeting.

In the event that the votes are counted at the general meeting, the continuing results shall be recorded in the minutes of the meeting.

The Directors and the secretary to the Board attending or presenting at the meeting, the convener or his/her representative and the chairman of the meeting shall sign the minutes of the meeting, and ensure the meeting minutes are true, accurate and complete. The minutes of the meeting and the signed attendance book of the Shareholders who attend in person, the proxy forms and the valid information relating to voting online or otherwise shall be kept together for a term of at least ten (10) years.

CHAPTER X SUPPLEMENTARY PROVISIONS

Article 73 Unless otherwise stated, terms used in these rules shall have the same meanings as those defined in the regulatory rules and the Articles of Association.

Article 74 These rules shall come into effect upon the approval of the general meeting.

Article 75 These rules shall be interpreted by the Board. Any amendment thereto shall be considered and approved by way of special resolutions in the general meeting of the Company.