



**STECOL CORPORATION**  
**Articles of Association**

Certified true copy of the Original  
Sign:  Date: .....  
SALIM B. ABUBAKAR  
Advocate, Notary Public & Commissioner  
for Oaths

October 18, 2017

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## Chapter 1 General Provisions

**Article 1** In order to establish the legal status of STECOL CORPORATION (hereinafter referred to as "Company" or "the Company"), regulate the organization and behavior of the Company, improve the corporate governance structure, and protect the legal rights and interests of the shareholders, the Company and the creditors, these Articles of Association are hereby formulated in accordance with the *Company Law of the People's Republic of China* (Hereinafter referred to as "*Company Law*") and other related laws and regulations.

**Article 2** The registered name of the Company in Chinese is "中国电建市政建设集团有限公司", in English it is called STECOL CORPORATION.

The Company's domicile: 4-2101, No. 2, Rongyuan Rd, Huayuan Industrial Zone, Tianjin, China. Postcode: 300384.

**Article 3** The registered capital of the Company is CNY 1,830,000,000.00 (Chinese Yuan).

**Article 4** The Company is a limited liability company established according to the *Company Law*. Having been registered with and having obtained the Corporate Business License from Tianjin Municipal Industrial and Commercial Administration, the Company shall conduct autonomous management, keep separate accounts, assume sole responsibility for profits and losses, and bear civil liabilities independently. The Shareholder of the Company shall bear liabilities according to its capital contribution, while the Company shall be liable to the debt of the Company with all its assets.

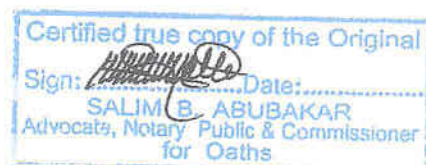
**Article 5** The Executive Director is the Legal Representative of the Company.

**Article 6** The Company may invest in other enterprises with the approval of the Shareholder. However, it shall not become the contributor jointly and severally liable to the debt of the invested enterprise.

Along with business development and in accordance with related laws and regulations of the country, the Company may set up wholly-owned subsidiaries and holding companies with the approval of the Shareholder. It may also set up branch offices and representative offices with the approval of the Executive Director.

**Article 7** The Company shall set up relevant organizations of the Communist Party of China (CPC) so as to carry out Party activities according to the provisions of the *Constitution of Communist Party of China*.

**Article 8** The employees of the Company may organize trade union so as to carry out relevant activities according to the *Trade Union Law of the People's Republic of China* and the *Company Law*.



## Chapter 2 Operating Tenet and Business Scope

**Article 9** The operating tenet of the Company is: Abide by the laws, regulations, social ethics and business ethics; adhere to scientific development; operate independently and honestly; accept governmental and public scrutiny; enhance economic benefits; preserve/increase the value of the State assets; commit to its social responsibilities.

**Article 10** The business scope of the Company is as follows: general contractor for construction of water resources and hydropower works, housing, municipal utility works, roads, railways, electric power works, urban rail works, airports, mining and electrical installation works; specialized contractor for foundation works, earth works, roadbed works and steel structure works (all in line with the enterprise qualifications as demonstrated by relevant certificates); contractor of overseas projects compatible with its capability, size and experience; expatriating labor force to implement the above mentioned overseas projects; project investment and management consulting service; rubber products, automobile accessories, automobile sales (cars are excluded); machinery and equipment renting; importing and exporting of goods and technology; international freight forwarding; ship equipment maintenance, drilling machinery and engineering machinery repair; pressure vessel design; pressure piping installation; anti-corrosion for metal products. The following activities are limited to operating branches: pressure vessel manufacture; motor vehicle maintenance. (Operation of certain items may begin only after approval by relevant authorities in accordance with law).

The business scope of the Company shall follow the Business License issued by the registration authority.

**Article 11** Oriented by the market, the Company may adjust its business scope and operations with the approval of the Shareholder and the registration authorities according to the needs of operation and development and its own ability.

**Article 12** Operation Period of the Company: long term, counted from the date of establishment specified in the *Corporate Business License*.

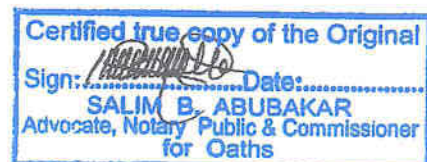
## Chapter 3 Shareholder and Contribution

**Article 13** The sole Shareholder of the Company:

Name of Shareholder: Power Construction Corporation of China, Ltd. (in short: POWERCHINA Ltd.; previously known as Sinohydro Group Ltd.).

Registration Address: No.22, Chegongzhuang West Road, Haidian District, Beijing

**Article 14** The form and amount of contribution and the percentage of registered capital:



Name of Shareholder	Form of Contribution	Amount of Contribution	Percentage	Date
Power Construction Corporation of China, Ltd.	Currency	1,830,000,000.00	100%	September 27, 2017

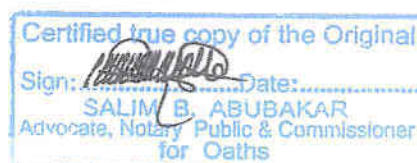
**Article 15** After establishment, the Company shall issue Capital Contribution Certificate to the Shareholder. The Shareholder may transfer its equity according to the law.

## Chapter 4 Rights and Obligations of Shareholder

**Article 16** The Shareholder is entitled to the legal rights stipulated in the laws, regulations and the Articles of Association, and enjoys the right to know, to participate and to make decisions in major issues indicated by the laws, the regulations and the Articles of Association.

Based on the Law, the Shareholder shall exercise the following powers and functions, with no Shareholders' Conference in place:

- 1) Decide on the operating principles, investment plans and human resources plans;
- 2) Approve the development strategy and medium-and-long term planning, and issue annual performance criterion to the Company;
- 3) Follow-up and supervise the Executive Director, supervisors and senior management staff in their execution of the Articles of Association, shareholder decisions and shareholder's rules and regulations; demand the Executive Director, supervisors and senior management to report on their performance of duties; and make decisions on assessment, reward and punishment to the Executive Director, supervisors and senior management;
- 4) Appoint and replace the Executive Director and supervisors, and decide on their remuneration;
- 5) Appoint the senior management staff, make assessment, and decide on their remunerations;
- 6) Approve the work reports of the Executive Director and the supervisors;
- 7) Approve the annual budget and final settlement of the Company;
- 8) Approve the profit distribution plans and loss recovery plans of the Company;
- 9) Approve the proposal for changing the registered capital of the Company;
- 10) Approve Company bonds;



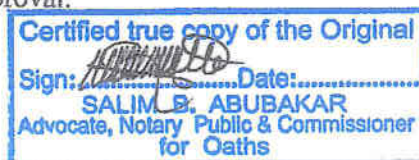
- 11) Decide on the merging, splitting, dissolution and liquidation of the Company or change of corporate form;
- 12) Approve the strategic adjustment program of the Company;
- 13) Develop or approve the Articles of Association or its modification;
- 14) Supervise and inspect the operations of the Company, and make queries or recommendations;
- 15) Develop regulations for investment and financing, guarantee, purchasing of large-scale equipment and bulk materials, financial and fund settlement, etc., and approve matters related to investment, financing and guarantee;
- 16) Approve the incentive and restrictive mechanism for the Executive Director, supervisors and senior management staff;
- 17) Inspect the documents and records related to the performance of the Executive Director, and inspect the financial and accounting statements;
- 18) Make decisions for the Company to employ, dismiss and discontinue the employment of the Certified Public Accountants;
- 19) Authorize the Executive Director of the Company to decide on major issues of the Company according to the procedures of the Company within the scope of the Shareholder's authorization;
- 20) Other issues that need to be determined by the Shareholder according to laws, regulations or the Articles of Association.

The decisions indicated in this provision shall be made by the Shareholder in writing, and shall be preserved in the Company after being signed and stamped by the Shareholder.

**Article 17** When the Company invests tangible assets or intangible assets (including but not limited to: establishing new companies; investing in other companies; acquisition or merging other companies; long-term investment in projects; purchasing real estate like lands and nonproductive housing; procurement, sale or replacement of movable property exceeding 10% of Company asset, bond investment like purchasing of bond and capital investment like stock trading) for the purpose of profits and benefits, it shall comply with all provisions related to investment management of the Parent Company and the Shareholder.

**Article 18** The Company may provide guarantee for the invested companies, provided that relevant provisions are followed related to guarantee of the Parent Company and the Shareholder.

In principle, the Company must not provide guarantee for parties other than the invested companies. If such guarantee is made necessary by special circumstances, it shall be submitted on case-by-case basis for the Shareholder's approval.



**Article 19** The Shareholder of the Company assumes the following obligations:

- 1) Comply with the laws, regulations and the Articles of Association;
- 2) Pay in full amount the capital contribution;
- 3) Assume responsibilities for the debts of the Company according to its capital contribution;
- 4) Shall not withdraw its capital contribution after the registration of the Company.

## **Chapter 5 Executive Director**

### **Section 1 Election of Executive Director**

**Article 20** In the initial stage of the Company, one Executive Director is proposed in accordance with the Company Law, with no Board of Directors. When conditions are ripe, the Shareholder will establish the Board of Directors, complete with directors from the employees as well as independent directors.

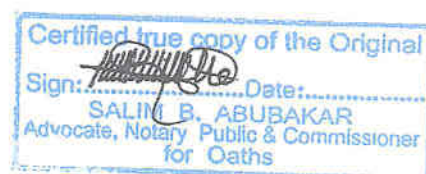
**Article 21** Without a Board of Directors in place, the Executive Director shall comply with relevant provisions of the Shareholder concerning vital issues. The Executive Director, Supervisor and senior management personnel shall perform their duties in accordance with Company meeting procedure, as enacted by the Shareholder separately. The "vital issues" herein referred to include important decisions, important personnel appointments and dismissals, important project arrangements and use of large funds.

**Article 22** The Executive Director is appointed by the Shareholder for a term of four years, upon expiry of which he may be reappointed.

**Article 23** The Executive Director shall continue to perform his duties in accordance with the laws, regulations and provisions of the Articles of Association upon expiry of term or resignation, until replaced by his successor.

**Article 24** The Executive Director shall be replaced if he is no longer fit for the obligations defined by the laws, regulations and provisions of the Articles of Association for any reason.

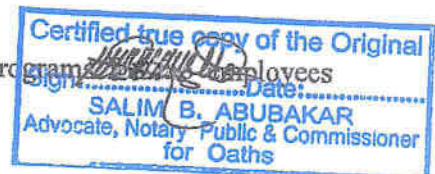
**Article 25** Resignation, expiry or termination of term shall not relieve the Executive Director from his obligation to keep the commercial secret confidential for the Company, until the secret becomes public information.



## Section 2 Powers of Executive Director

**Article 26** The Executive Director shall exercise the following powers:

- 1) Implement resolutions and decisions of the Shareholder, and report to the latter;
- 2) Formulate the Company's development strategy, long-term development plans and human resources plans, and monitor their implementation;
- 3) Formulate the Company's annual business targets, business plans and investment programs;
- 4) Formulate the Company's annual financial budget and final accounts, audit company's financial reports and internal and external audit reports;
- 5) Formulate the Company's profit distribution plans and loss recovery plans;
- 6) Formulate the Company's registered capital variation program;
- 7) Formulate the Company's bonds plans;
- 8) Formulate the Company's proposals for merger, splitting, dissolution or change of company form;
- 9) Formulate the Company's business strategic adjustment programs;
- 10) Decide on such issues as the Company's financing, borrowing and guarantees, and use of Company funds and extra-budgetary expenditure, as well as borrowing from domestic financial institutions as per the Company's requirements, all according to the Shareholders' regulations concerning investment, financing and guarantees, and within the Shareholder's scope of authorization;
- 11) Decide on the Company's internal management structure, and establishment or revocation of company branches;
- 12) Decide on the candidates and remuneration of managerial staff, and make appraisals on such personnel;
- 13) Appoint or replace directors (executive directors) and supervisors which are not reserved for the employees' representatives, nominate (or decide on) senior executives, and decide on their remuneration for the Company's subsidiaries or proprietary enterprises, and recommend directors, supervisors and senior executives for the Company's shareholding enterprises;
- 14) Formulate the Company's basic regulations concerning personnel, finance, auditing, legal advisers, etc. in accordance with relevant provisions of the State;
- 15) Formulate the Company's human resources plans;
- 16) Decide on the wages, benefits, incentive policies and program for employees (except for those reserved for decision by the Shareholder);



- 17) Decide on matters related to donation or sponsorship as authorized by the Shareholder;
- 18) Decide on the Company's risk management system, including risk assessment, financial control, internal audit, legal risk control etc., and monitor its implementation;
- 19) Decide on vital issues as authorized by the Shareholder in accordance with the Company's procedures;
- 20) Other powers conferred by the Shareholder or stipulated by the laws, regulations or the Articles of Association.

The Executive Director shall comply with provisions of clean governance and democratic decision-making on the vital issues in exercising his powers and duties in accordance with Company's procedures. The decisions shall be in written form, and kept for file after his signature.

**Article 27** To ensure and improve robustness and efficiency of company daily operation, shareholders can authorize executive director to exercise decision power on some matters.

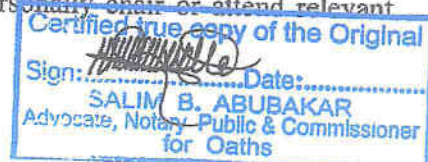
**Article 28** The Executive Director shall fulfill the following obligations:

- 1) Implement the decisions of the Shareholder, and take responsibility for the interest of the Shareholder and the Company;
- 2) Submit annual reports to Shareholder;
- 3) Provide the Shareholder with information on vital investment and financing activities of the Company;
- 4) Provide the Shareholder with true, accurate and comprehensive information on financial and operational affairs;
- 5) Provide the Shareholder with information on actual remuneration of the Executive Director, Supervisor and senior executives, as well as information related to the appointment and dismissal procedures for the middle level executives;
- 6) Safeguard the legitimate rights of the employees and creditors of the Company, as well as the Company's image and reputation;
- 7) Ensure the implementation of national laws, regulations, rules, and policies in the Company.

### **Section 3 Performance Requirements of Executive Director**

**Article 29** The performance of Executive Director shall meet the following requirements:

- 1) Be concerned about the development of the Company, and shall devote sufficient time and effort to perform his duties cautiously and diligently;
- 2) Be concerned with the Company's major affairs, personally chair or attend relevant



meetings and other activities, and grasp enough information timely so as to vote independently and prudently;

- 3) Perform duties honestly, following the principles of loyalty, faithfulness and diligence in compliance with the laws, regulations and the Articles of Association of the Company, and try his best to safeguard the interests of the Shareholder and the Company and keep the business secrets of the Company;
- 4) Be familiar with relevant laws, regulations, rules and policies and take efforts to increase acknowledge and skills required for performing his duties;
- 5) Commit no acts prohibited by Article 149 of the *Company Law*;
- 6) Respect relevant democratic decision-making process of the country and the Shareholder and the procedures of the Company;
- 7) In case of conflicts of interests, give priority to the interest of the Company and/or the Shareholder other than his own;
- 8) Perform other obligations stipulated by the laws, regulations and the Articles of Association.

**Article 30** The provisions concerning duty performance and accountability of the Executive Director in these Articles of Association shall be applicable to the Supervisor and the senior management staff of the Company as well.

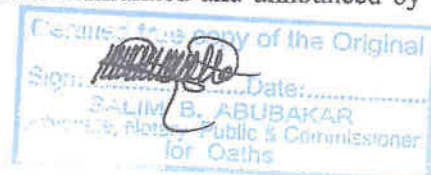
#### **Section 4 Accountability of the Executive Director**

**Article 31** If, during the performance of duties and obligations, the Executive Director causes the Company to suffer losses resulting from his individual or joint action or inaction, or causes the Company to be held responsible for damages of a third party, he shall bear the corresponding legal consequences according to laws, regulations and the Articles of Association.

**Article 32** The Executive Director shall be responsible for any of the following losses to the Company:

- 1) Losses resulting from violation of his obligations specified by the laws, regulations, rules, policies and the Articles of Association;
- 2) Losses resulting from any resolution violating the laws, regulations and the Articles of Association, which he is unable to prove that he voted against.

**Article 33** In addition to the laws, regulations, rules, policies and the Articles of Association, the Executive Director shall also abide by the rules and regulations concerning honest practice, democratic decision-making and discipline formulated and announced by the Parent Company and the Shareholder.



**Article 34** The Executive Director shall assume responsibilities mainly in the following manners:

- 1) Financial compensation. This compensation is against the direct financial losses caused by the Executive Director, or against the compensation paid to a third party resulting from the Company's joint and several liabilities;
- 2) Dismissal of the Executive Director;
- 3) Eliminating the adverse impacts. In case of reputation damages to the Company, the Executive Director may be ordered to eliminate the negative impacts through the media or other public ways;
- 4) The manners of accountability specified by the rules and regulations about honest practice, democratic decision-making and discipline formulated and announced by the Parent Company and the Shareholder;
- 5) Other manners stipulated in the laws and regulations.

## **Chapter 6 Management Team**

**Article 35** Daily business of the Company shall be run by a Management Team. The specific positions, the number of positions and the candidates should be decided by the Shareholder.

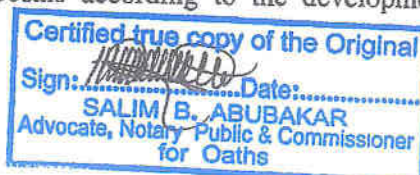
**Article 36** The Management Team shall be headed by a General Manager or President, which office shall be assumed by the Executive Director. The other team members include a number of Vice-Presidents, a Chief Accountant, a Chief Engineer, a Chief Economist and a Chief Legal Advisor. The Shareholder may adjust the positions and numbers.

According to the Company Law, the above personnel form the senior management of the Company.

**Article 37** The President is in charge of the whole management, while the other senior staff shall work under the leadership of the President. The President may resign before the expiration of the term. If out of any special reason the President cannot discharge his duties in his capacity, one of the deputies shall be appointed to act in his place by the Shareholder. Each term of senior management lasts four years. After expiry of the term, the senior personnel can be reappointed. The Shareholder may remove any senior management personnel due to the latter's incompetence, serious dereliction or illegal act.

**Article 38** The Management shall perform the following functions:

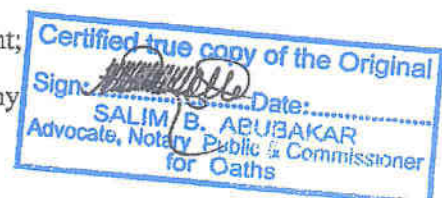
- (1) Implement the decisions of the Shareholder and the Executive Director;
- (2) Take charge of the production and operations of the Company;
- (3) Prepare annual budget and final accounts proposals according to the development



- strategy, annual business objectives/plans and investment plans;
- (4) Prepare the Company's internal management scheme;
  - (5) Prepare proposals for the Company's personnel, finance, audit, legal service and other basic management schemes according to the relevant stipulations of the State;
  - (6) Formulate detailed regulations of the Company;
  - (7) Formulate profit distribution and loss recovery plans;
  - (8) Prepare proposals for changing the registered capital;
  - (9) Formulate proposals to issue company bonds;
  - (10) Prepare the company risk management system, including risk assessment, financial control, internal audit and legal risk control;
  - (11) Deal with foreign affairs and signing contracts on behalf of the Company as authorized by the Legal Representative;
  - (12) Give advice to the Executive Director on such affairs as candidates, remuneration and assessment of the lower management;
  - (13) Hire or dismiss an employee of the Company except for those posts reserved for decision by the Shareholder or the Executive Director;
  - (14) Develop schemes for salary, welfare, rewards, punishment and income distribution, and decide on affairs related to employment and dismissal, except for those posts reserved for decision by the Shareholder or the Executive Director;
  - (15) The Executive Director may, on certain conditions, delegate his powers to other senior staff, so that the latter could represent the Company to sign contracts and other legal documents in any business activities which do not involve assets disposal, such as project contracting;
  - (16) Perform other functions authorized by the Articles of Association, the Shareholder and the Executive Director.

**Article 39** The obligations of the senior management

- (1) Report to the Shareholder and the Executive Director on daily management affairs of the Company;
- (2) According to the requirements of the Shareholder and the Executive Director, the senior management personnel shall report on the execution, implementation, fund application or loss of fundamental contracts, and ensure the truthfulness, objectivity and comprehensiveness of the report;
- (3) Take responsibility for any loss caused by the management;
- (4) Take responsibility for any illegal business of the Company



(5) Other obligations formulated in laws and regulations.

## Chapter 7 Supervisor

**Article 40** According to the Law, only one supervisor is proposed at the early stage of the Company, with no Board of Supervisors in place for the time being.

The Executive Director and senior management personnel shall not assume the office of supervisor at the same time.

**Article 41** The term of Supervisor is four years. A supervisor may continue to serve at the expiration of the term if re-appointed or re-selected.

At the expiration of the term, the Supervisor should continue to perform the respective duty before the new Supervisor takes office according to the laws, regulations, and the Articles of Association.

**Article 42** The Supervisor shall exercise the following functions:

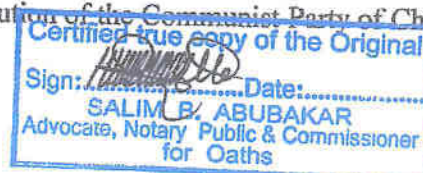
- (1) Review the financial affairs of the Company;
- (2) Supervise the behavior of Executive Director and senior management when they are performing their duties, and advise on their dismissal if they are found violating the laws, regulations, Articles of Association or Shareholder's resolutions;
- (3) Request the Executive Director or senior management to make corrections when their behaviors are found detrimental to the Company;
- (4) Initiate proposals to the Shareholder;
- (5) Initiate legal proceedings against the Executive Director or senior management personnel according to the Company Law;
- (6) Other obligations formulated in the laws, regulations, or Articles of Association.

The Supervisor shall perform the functions according to the relevant stipulations of the Shareholder and the Company procedures through a proper democratic and centralized decision-making process. The above decisions shall be delivered in writing, signed by the Supervisor and filed in the Company.

**Article 43** The Company shall provide necessary assistance and work conditions for the Supervisor to perform the duties.

## Chapter 8 CPC and Communist Youth League Organization

**Article 44** The Party committee and the Party's discipline inspection committee shall be established in the Company according to the Constitution of the Communist Party of China



(CPC).

**Article 45** The Party's organization in the Company shall carry out the Party's activities according to the Constitution of the Communist Party of China, and implement the *Opinion on Strengthening and Improving the Party Work in Central Enterprises (2004,NO.31)* enacted by the Organization Department of the CPC Central Committee and the Party Committee of the State-owned Asset Supervision and Administration Commission of the State Council, and play the role of a political core, along with the establishment of a modern enterprise system.

**Article 46** Set up the organization of the Communist Youth League in the Company according to the Constitution of the Communist Youth League of China.

## **Chapter 9 Democratic Management and Trade Union**

**Article 47** The Company shall implement the *Directive on Establishing the Employees' Congress in Central Enterprises (2007, No. 120)* enacted by the State-owned Asset Supervision and Administration Commission according to the Constitution and relevant laws, regulations, rules and policy, and achieve democratic management through the employees' congress or other forms. The Company shall uphold the legal rights and interests of the employees.

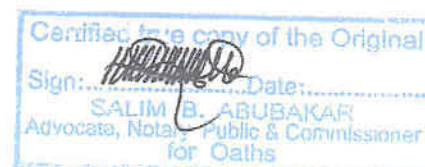
**Article 48** The Company shall establish the trade union organization at all levels according to the *Labor Law of the People's Republic of China* and other laws and regulations. It shall also provide proper conditions for trade union activities, including allocation of funds.

## **Chapter 10 Labor and Personnel System and Social Security**

**Article 49** The Company shall formulate the HR schemes including labor and personnel, wage distribution, workmen's compensation, allowances, and social security based on the specific circumstances of the company according to the Labor Law of the People's Republic of China and other relevant laws, rules and regulations.

**Article 50** The Company shall implement the employment contract system with the employees.

**Article 51** The Company shall provide for pension, insurances against injury and unemployment, medical care, and maternity insurance for the employees according to relevant stipulations of the State, and establish the Public Accumulation Fund for Housing. The Company may also adopt the enterprise annuity, supplementary medical insurance and workmen's mutual cooperation insurance, and establish personal accounts for the employees.



## Chapter 11 Financial Accounting System and Audit

**Article 52** The Company shall establish the financial accounting system and internal auditing system for itself and its invested companies, and pay taxes in accordance with the laws and the regulations of the relevant authorities.

**Article 53** The Company will adopt the Gregorian calendar year as a fiscal year, i.e. from January 1st to December 31<sup>st</sup>.

The Company adopts RMB as the account currency. The accounts shall be kept in Chinese.

**Article 54** The Company shall deliver the financial reports to the Shareholder within the following periods of time: annual report within 2 months following the end of each year, interim report within 1 month following first half of the year, and quarterly reports within 15 days following the third and the ninth month of each year.

The annual reports shall be audited by the certified public accountant selected by the Shareholder, and shall be presented by the Executive Director to relevant meetings and passed as per the Company's procedures, before submission to the Shareholder for approval.

**Article 55** The Company shall keep no account books other than those legal ones. Furthermore, no personnel account shall be used to deposit the Company's capital.

**Article 56** The Company shall place 10% of its after-tax profits as the legal reserve fund, until the accumulated amount reaches 50% of the registered capital.

**Article 57** The Company may extract any amount from the net profit after making up the losses and allowing for the legal reserved fund, and deposit it as arbitrary reserved fund to the Shareholder's approval.

**Article 58** The company's reserve funds shall be used only for the following circumstances:


- (1) Cover the losses;
- (2) Expand the company's production and operation;
- (3) Turn into the registered capital.

The capital accumulation funds shall not be used for making up the company's losses.

When the legal reserve fund is converted to capital, the balance shall not fall below 25% of the registered capital.

**Article 59** The chief of the Audit Department of the Company shall report to the President. The Company shall formulate the internal audit system and auditor's responsibility.

**Article 60** The Shareholder and the Executive Director shall have the right to hire an accounting firm to conduct external audit and assess the internal audit system if necessary.

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The Company shall cooperate with the accounting firm during the audit.

## Chapter 12 Merger, Splitting and Capital Change

**Article 61** For such affairs as merger, splitting, increase or decrease of capital, the Executive Director shall make a proposal, which shall be passed in meetings as per the stipulated procedures, before it is delivered to the Shareholder for approval.

After the approval is granted, the proposal shall be implemented in accordance with relevant provisions of the Law.

## Chapter 13 Dissolution and Liquidation

**Article 62** The Company may be dissolved under one of the following circumstances:

- (1) The Shareholder has decided to dissolve the company;
- (2) The dissolution is necessary due to merger or splitting of the Company;
- (3) The business license has been revoked, or the Company has been ordered to close down or dissolved according to the laws;
- (4) A dissolution order has been issued by the Court according to Article 183 of the Company Law.

**Article 63** If dissolved in accordance with (1), (2), and (4) of the above article, a liquidation group shall be formed according to the Law, who shall establish a program for liquidation in accordance with statutory procedures.

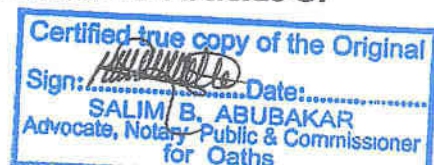
The members of the liquidation group shall devote themselves to their duties and perform their obligations according to the Law.

None of the members of the liquidation group may take advantage of his position to take bribes or any other illegal benefits, or misappropriate any properties of the Company.

Should any member of the liquidation group cause a loss to the company or any creditor either deliberately or due to gross negligence, he shall be liable to damages.

## Chapter 14 Effectiveness and Modification of Articles of

### Association



**Article 64** The Articles of Association shall be formulated and modified by the

Shareholder.

**Article 65** The Articles of Association shall be binding upon the Shareholder, the Company, the Executive Director, the Supervisor and the senior management staff.

**Article 66** If needed, the Company may propose to modify the Articles of Association and submit the proposal to the Shareholder for Approval. The modified Articles of Association must not be contrary to the laws and regulations, and shall be sent to the original registration authority for record. For any change of registration items, application shall be made to the registration authority.

**Article 67** The regulations as formulated by the Shareholder, and the decisions, instructions and orders issued by the Shareholder shall be binding upon the Company. Any conflicts with the Articles of Association shall be submitted for the Shareholder's decision. The Shareholder may choose to modify the Articles of Association of the Company.

## Chapter 15 Supplementary Provisions

**Article 68** The Articles of Association shall enter into force on the date it is sealed by the Shareholder of the Company.

**Article 69** Unless otherwise specified in these Articles of Association, the words "above", "below", "within" and "before" shall include the proper figure; while the words "less than" and "no more than" shall not include the proper figure.

**Article 70** The Enterprises invested by the Company refer to wholly-owned subsidiaries, holding companies and shareholding companies established according to the *Company Law*.

**Article 71** The Parent Company indicated in the Articles of Association refers to Sinohydro Group Ltd.

**Article 72** The Shareholder is responsible for the interpretation of the Articles of Association.

**Article 73** The Articles of Association are in quintuplicate. The Shareholder and the Company shall keep two copies each, and the last copy shall be submitted to the registration authority for record.

Signature of Legal Representative

