

# CONSTITUTION

AO SHANG HUI CONSULTING (SHANGHAI) CO., LTD.

INVESTOR: AUSTCHAM CONSULTING LIMITED  
DATE OF SIGNATURE: 2017-06-15

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## CHAPTER I

### General Provisions

1. In accordance with the Company Law of the People's Republic of China, Law of the People's Republic of China on Wholly Foreign-Owned Enterprises (WFOE) and the detailed rules for the implementation and other relevant Chinese laws and regulations, the investor has decided to establish a WFOE in Shanghai, and the Constitution is hereby formulated.
2. The Investor  
Name: AUSTCHAM CONSULTING LIMITED  
Location: Unit 801-2, 8<sup>th</sup> Floor, Tung Hip Commercial Building, 244-248 Des Voeux Road Central, Sheung Wan, Hong Kong  
Representative: Dugan Heidi Marie  
Nationality: Australia
3. Legal name of Company: AO SHANG HUI CONSULTING (SHANGHAI) CO., LTD (hereinafter referred as the "Company")  
Legal Address: Room 2C, 1<sup>st</sup> Floor, Building 2, No. 127, Anyuan Road, Jing'An District, Shanghai (Centralized Registration Place)
4. The General Manager of the Company is the Legal Representative of the Company, which should be registered, as required under the applicable Laws.
5. The Company shall be a limited liability company. The investor shall be responsible for the Company within the limit of the capital subscribed.
6. The Company shall be a legal entity under the laws of China. The activities of the Company shall be governed and protected by the relevant laws, regulations, measures and rules of China and other applicable laws. The Company shall not change the public interests of China. The Company is a self-financed and independent accounting economic entity and has the right to make its own decisions of the operation and management free from interference within the
7. approved business scope.

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## CHAPTER II

### Business Scope

1. The business scope of the Company includes planning events for cultural and artistic exchange activities (except broker), Public Relations (PR) event planning, market planning, business information consulting, sales of gifts (excluding cultural relics), merchandise wholesale, import and export, commission agency (excluding auction), design and publish advertisement, advertising agency, management consulting (excluding state-run trading management commodity).
2. If any activities within business scope would normally require approval from regulatory authorities, approval must be sought.

## CHAPTER III

### Total Investment Volume & Registration Capital

3. Total investment volume: US\$270,000
4. Registered capital: US\$270,000 (US\$270,000 is currency from the investor, accounting for 100% of the registration capital)
5. The registered capital will be paid-up within 30 years of establishment.
6. The Company is not obliged to decrease registered capital within its operation period. In the event that it is necessary to decrease its registered capital due to change of investment volume and manufacturing operation, approval shall be sought from the approving authority.

## CHAPTER IV

### Shareholder

7. The Company does not have a group of shareholders. The investor, ie shareholder of the Company, shall make all important decisions in writing. The decisions shall be signed off by the shareholder and filed by the Company.
8. The functions and powers of the shareholder shall include the following:
  - (a) To decide on the business strategy and investment plan of the Company;
  - (b) To elect, appoint and replace Directors and the Supervisor who are not representatives of the staff, and to decide on the remuneration of Directors and the Supervisor;
  - (c) To examine and approve reports of Board of Directors;
  - (d) To examine and approve reports from the Supervisor;
  - (e) To examine and approve the annual budget and final account;

- (a) To examine and approve plans for profit distribution and plans for loss recovery;
- (b) To adopt resolutions on increasing or decreasing of the registered capital of the Company;
- (c) To pass resolutions on the issuance of corporate bonds;
- (d) To adopt resolutions on matters such as the merger, division, transformation, dissolution and liquidation of the Company;
- (e) To amend the Constitution of the Company.

## CHAPTER V

### Board of Directors

9. The Company has its own Board of Directors, which is comprised of 11 members. The shareholder shall appoint Directors and Chairman of the Board. The term of the Director is two years, and they may serve consecutive terms if re-appointed by the appointing party.

The Board of Directors is answerable to the shareholder and exercises the following rights:

- (a) To implement the resolutions of the shareholder;
  - (b) To decide on the business plans and investment plan of the Company;
  - (c) To formulate the annual budget and final accounts of the Company;
  - (d) To formulate plans for profit distribution and loss recovery for the Company;
  - (e) To formulate plans for the increase or reduction of the registered capital and issuance of Company bonds;
  - (f) To formulate plans for the merger, division, transformation and dissolution of the Company;
  - (g) To decide on the establishment of the Company's internal management organs;
  - (h) To decide on appointment and dismissal of the Company's manager, the manager's remuneration; and, upon recommendation from the manager, to decide on appointment and dismissal of the Company's deputy manager(s) and person in charge of finance, and the matters concerning their remuneration;
  - (i) To formulate the basic management system of the Company.
10. The Board meeting shall be convened and chaired by the Chairman. The Deputy Chairman or Directors shall convene and chair the Board meeting in the event that the Chairman cannot or does not execute his duties. An extraordinary board meeting shall be convened by the Chairman upon request of at least 1/3 of the Directors.

The Board meeting shall be conducted when at least 1/2 of the Directors are present. Should a Director be unable to attend the Board meeting, he/she may

write a letter of authorisation to appoint another Director as his/her proxy to represent and vote on his/her behalf.

Each Director shall have one (1) vote at each Board meeting.

Minutes shall be taken and cover all the resolutions adopted. Minutes shall be signed by the all the Directors and appointed proxies present at the meeting. The originals thereof shall be retained on file.

## **CHAPTER VI**

### **Supervisor**

11. The Company does not have a Board of Supervisors, but shall have one Supervisor appointed by the shareholder. The term of the supervisor shall be 3 years, and the Supervisor may serve consecutive terms upon expiration of his term if re-elected.
12. The supervisor of the Company may exercise the following powers:
  - (a) To check the financial affairs of the Company;
  - (b) To supervise the duty-related acts of Directors and Senior Managers, and to put forward proposals on the removal of Directors or Senior Managers who violate any law, administrative regulation, the Constitution or any resolution of the shareholder;
  - (c) To demand Directors or Senior Manager to make corrections if his act has injured the interests of the Company;
  - (d) To initiate actions against Directors or Senior Managers in accordance with Article 152 of Company Law of the People's Republic of China.
13. The Supervisor may attend Board meetings and raise questions or suggestions about the matters to be decided by the Board of Directors.
14. If the Supervisor finds that the Company is running abnormally, he may make investigations. Where necessary, he may hire an accounting firm to assist him/her and the relevant expenses shall be borne by the Company.
15. The expenses necessary for the Supervisor to perform his/her duties shall be borne by the Company.

## **CHAPTER VII**

### **Business Management Structure**

16. The Company will have one General Manager, who will be recruited and dismissed by the Board of Directors. The General Manager is answerable to Board of Directors and exercises the following functions and powers:

- (a) To be in charge of the production, operation and management of the Company, and to organise the implementation of the resolutions of the Board of Directors;
- (b) To organise the implementation of the annual business plans and investment plans of the Company;
- (c) To work out plans on the establishment of the internal management organs of the Company;
- (d) To work out the basic management system of the Company;
- (e) To formulate specific rules and regulations of the Company;
- (f) To recommend the appointment or dismissal of the deputy manager(s) and of persons in charge of finance;
- (g) To appoint or dismiss management personnel other than those to be appointed or dismissed by Board of Directors; and
- (h) Other functions and powers granted by the Board of Directors.

## CHAPTER VIII

### Labor Management and Financial Management

- 17. The Company shall adhere to the Labour Law of the People's Republic of China (PRC) and related regulations when the Company employs and dismisses staff, and deals with registration, salary, welfare benefits, and labour insurance, disciplinary action and so on. The Company shall support its staff to establish a trade labour union in accordance with the stipulations of the "Trade Labour Union Law of the People's Republic of China" and other relevant PRC laws and regulations.
- 18. The Company shall establish and implement systems for finance, accounting, audit, foreign exchange, statistics, insurance and so on.

## CHAPTER IX

### Operation Period, Dissolution & Clearance

- 19. The operation period of this Company is 30 years, calculated from the date of issuance of the business license.
- 20. If an extension of the term of operation is required, an application for the extension shall be submitted to the original examination and approval authority at least 180 days before the expiry date. If approval for such application is granted, the Company shall extend its term.
- 21. The Company may dissolve upon the occurrence of any of the following events:
  - (a) Expiration of the Company's term of operation;
  - (b) The Shareholder decides to dissolve the Company;

- (c) Adopting resolutions as to merger or division of the Company;
  - (d) The Company's right to operate is revoked pursuant to PRC laws and regulations;
  - (e) The People's Court dismisses the Company in accordance with Article 183 of Company Law of the People's Republic of China.
22. The Company shall establish a liquidation committee and commence liquidation within 15 calendar days of the date of occurrence of the grounds for dissolution. The liquidation committee shall be composed of the shareholder of the Company.
23. The liquidation committee shall exercise the following functions and powers during liquidation:
- (a) To thoroughly examine the property of the Company and prepare a balance sheet and a schedule of property;
  - (b) To notify creditors by notice or announcement;
  - (c) To dispose of and liquidate relevant unfinished business of the Company;
  - (d) To pay all outstanding taxes in full as well as taxes arising in the course of liquidation;
  - (e) To clear the claims and debts;
  - (f) To dispose of the property remaining after full payment of the Company's debts; and
  - (g) To participate in civil litigation activities on behalf of the Company.
24. After liquidation, the Company shall submit the liquidation report to the appropriate examination and approval authority, cancel the registration with the original registration authority, return the business license and make an announcement of the termination of the Company.
25. Members of the liquidating committee shall faithfully perform liquidation obligations in accordance with the law.

Members of the liquidating committee shall not use their powers to accept bribes or other illegal incomes, or misappropriate the property of the Company.

Members of the liquidating committee shall be liable for compensation if intentional misconduct or gross negligence causes loss to the Company or its creditors.

## CHAPTER X

### Supplemental Provisions

26. The conclusion, effect, interpretation, performance and the settlement of the disputes of the Constitution shall be governed by PRC law.
27. The Constitution is written in Chinese.

1. The Constitution shall be valid only upon the approval of the approval authority and come into force on the date of that approval.
2. The Constitution is hereby executed in Office 2E, Anken Green, 668 Huai An Road, Jing'An District, Shanghai by the investor

