OVERVIEW

This Appendix contains the summary of the principal provisions of the Articles of Association. The Articles of Association of the Company shall take effect on the date of the H Shares being **[REDACTED]** on the Stock Exchange.

SHARES

All the shares **[REDACTED]** by the Company are ordinary shares.

Shares **[REDACTED]** by the Company are denominated in RMB with a par value of RMB1 per share.

Shares shall be **[REDACTED]** by the Company under the principles of transparency, fairness and equitableness, and each share of the same class shall have the same rights.

For the same type of shares **[REDACTED]** in one offering, the issue criteria and price for each share shall be identical; the **[REDACTED]** shall pay the same price for each share **[REDACTED]**.

Increase, Reduction and Repurchase of Shares

Increase of Capital

The Company may, upon resolution by a general meeting, adopt the following methods to increase its capital based on its business and development needs and pursuant to the provisions of laws and regulations:

(1) issuance of shares to unspecified objects;

(2) issuance of shares to specified objects;

(3) distribution of bonus shares to existing shareholders;

(4) **[REDACTED]** of capital reserve to share capital; and

(5) any other methods stipulated by laws, administrative regulations, the GEM Listing Rules, securities regulatory rules of the place where the Company's shares are **[REDACTED]**, and the CSRC.

Reduction of Capital

The Company may reduce its registered capital. The Company may reduce its registered capital in accordance with the procedures prescribed in the Company Law, regulations, the GEM Listing Rules, securities regulatory rules of the place where the Company' shares are **[REDACTED]**, and other relevant provisions, the Article of Association.

Repurchase of Shares

The Company shall not acquire its own shares, except under any of the following circumstances, provided that such acquisition does not violate laws, regulations, the GEM Listing Rules, the securities regulatory rules of the place where the Company's shares are **[REDACTED]**, or the provisions of these Articles of Association:

(1) reduction of registered capital;

(2) merger with another company which holds its shares;

(3) use of shares for employee stock ownership plan or equity incentives;

(4) a shareholder's objection to the resolution on the Company's merger or division passed by the general meeting, requesting the Company to acquire its shares;

(5) use of shares for **[REDACTED]** of corporate bonds issued by the Company that can be **[REDACTED]** into shares; or

(6) necessity for the purpose of maintaining the value of the Company and shareholders' equity.

Transfer of Shares

Shares of the Company shall be transferred pursuant to the law.

The Company shall not accept its shares as subject matter of pledge.

SHAREHOLDERS AND GENERAL MEETING

The Company shall establish a register of shareholders based on the voucher provided by the securities registration and clearing organisation. The register of shareholders is adequate evidence of shareholding by shareholders. A shareholder shall enjoy the rights and bear the obligations by the type of shares held; shareholders who hold the same type of shares shall enjoy the same rights and bear the same type of obligations.

Where the Company needs to confirm the identity of shareholders for convening of a general meeting, distribution of dividends, liquidation etc., the board of directors ("**Board**") or the convener of the general meeting shall determine the date of record, and shareholders registered in the register after market closing on the date of record shall be shareholders entitled to the relevant rights and interests.

Shareholders of the Company shall enjoy the following rights:

(1) being entitled to dividends and any other form of distribution of benefits based on the number of shares held by them;

(2) requesting to hold, convene, preside over, attend or appoint a proxy to attend a general meeting pursuant to the law, speaking at the general meeting and exercising the corresponding voting rights (except where voting rights are required to be waived on certain matters pursuant to the securities regulatory rules of the place where the Company's shares are **[REDACTED]**);

(3) supervising the Company's business operations, proposing recommendations or raising queries;

(4) transferring, donating or pledging shares held by them pursuant to the provisions of laws, administrative regulations and the Articles of Association;

(5) inspecting and making copies of the Company's articles of association, register of shareholders, minutes of general meetings, resolutions of board meetings and financial accounting reports; qualified shareholders may inspect the Company's accounting books and accounting vouchers;

(6) participating in the distribution of residual property based on their shareholding upon termination or liquidation of the Company;

(7) requesting by a shareholder who objects to the resolution on merger or division passed by the general meeting that the Company acquire his/her shares; and

(8) any other rights stipulated by laws, administrative regulations, departmental rules or the Articles of Association.

The Hong Kong branch of the register of shareholders must be available for inspection by shareholders, but the Company may suspend the shareholders registration in accordance with the terms equivalent to Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

Company shareholders undertake the following obligations:

(1) complying with the laws, administrative regulations and the Articles of Association;

(2) making payment according to the shares subscribed for and the method of shareholding;

(3) they may not withdraw their share capital except as prescribed by the law or regulations;

(4) they may not abuse their shareholder's rights to damage the Company or other shareholders' interests; may not abuse the independent legal person status of the Company and the limited liability of the shareholders to damage the interests of creditors; and

(5) other obligations required by the laws, administrative regulations and the Articles of Association.

General Rules for the General Meeting

The general meeting of the Company is composed of all shareholders. The general meeting is the Company's governing body and exercises the following powers pursuant to the law:

(1) electing and replacing directors, and deciding the remuneration matters of the directors;

(2) deliberating and approving the reports of the Board;

(3) deliberating and approving the profit distribution plan and loss compensation plan of the Company;

(4) making resolutions on increasing or decreasing the registered capital of the Company;

(5) making resolutions on the issuing of company bonds;

(6) making resolutions on merger, division, dissolution, liquidation or changing the form of the Company;

(7) amending the Articles of Association;

(8) making resolutions on engagement and dismissal of the accountant firm that undertakes the auditing of the Company;

(9) deliberating and approving the guarantee matters which, under these Articles of Association, are subject to the review and approval of the general meeting;

(10) deliberating on purchases and sales of significant assets within a year with the amount exceeding 30% of total assets which is audited most recently;

(11) deliberating and approving changes in usage of raised funds;

(12) deliberating on equity incentive plans and employee stock ownership plans; and

(13) deliberating on other matters which shall be decided by the general meeting as required by the laws, administrative regulations, departmental rules or the Articles of Association.

The general meeting may authorise the Board to decide on the issuance of company bonds.

Proposals and Notices of General Meetings

The contents of proposals shall fall within the scope of duties and powers of the general meeting, contain clear topics and specific items to be resolved and comply with the laws, administrative regulations, and the Articles of Association.

When the Company holds a general meeting, the Board, the audit committee and the shareholders individually or jointly holding 1% or more of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding 1% or more of the Company's shares may submit an interim proposal in writing to the convener 10 days before a general meeting. The interim proposals should include clear topics and detailed resolutions. The convener shall issue a supplementary notice of general meeting within two days of receipt of such a proposal, publicly announce the contents of the interim proposal and submit the interim proposal to the general meeting for deliberation, except where interim proposals contravene the provisions of laws, administrative regulations, or the Articles of Association, except for which do not fall within the scope of duties and powers of the general meeting.

For convening a general meeting, a notice of the date, time, place and matters to be considered at the meeting shall be given to each shareholder at least twenty-one (21) days prior to the annual general meeting; for an extraordinary general meeting, notice shall be given at least fifteen (15) days prior to the meeting.

Notice of the general meeting shall be given by public announcement. In calculating the notice period, the date of the meeting shall not be counted.

A notice of a general meeting includes the following contents:

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

(2) the matters and proposals to be submitted to the meeting for deliberation, the notice and any supplementary notice of the general meeting shall fully and completely disclose all the specific details of all proposals;

(3) a conspicuous written statement as follows: all common shareholders have the right to attend the general meeting and may authorise a proxy in writing, who needs not necessarily be a shareholder, to attend and vote at the meeting;

(4) the date of record of shareholders entitled to attend the general meeting. The interval between the date of record and the date of meeting shall be not more than seven working days. Once determined, the date of record shall not be changed;

(5) the name and telephone number of the permanent contact person of the meeting; and

(6) the voting time and procedures online or by any other method.

Voting and Resolutions of General Meeting

Resolutions at general meetings consist of ordinary resolutions and special resolutions.

If a general meeting makes an ordinary resolution, it shall be passed by more than half of the voting rights held by shareholders (including proxies) attending the meeting.

If a general meeting makes a special resolution, it shall be passed by two-thirds or more of the voting rights held by shareholders (including proxies) attending the meeting.

Where any shareholder shall abstain from voting or be restricted to only vote in favour of or only vote against any individual resolution by applicable laws, regulations and the listing rules of the stock exchange on which the Company' shares are **[REDACTED]**, the shareholders' (or their proxies') votes in violation of such requirements or restrictions shall not be counted within the voting results.

The following matters are adopted by ordinary resolutions at a general meeting:

(1) work report of the Board;

(2) profit distribution plans and loss compensation plans proposed by the Board;

(3) appointment, removal, remunerations and method of payment of members of the Board; and

(4) matters other than those which shall be adopted by special resolutions as specified by the laws, administrative regulations or the Articles of Association.

The following matters are adopted by special resolutions at a general meeting:

(1) the increase or decrease of registered capital of the Company;

(2) division, split, merger, dissolution or liquidation of the Company;

(3) amendment of the Articles of Association;

(4) the purchase or sales of essential asset within one year or provision of guarantees to others by the Company whose amount exceeds 30% of the total assets which is audited most recently;

(5) share incentive plans; and

(6) other matters requiring a special resolution under laws, administrative regulations, listing rules of the stock exchange where the Company's shares are **[REDACTED]**, or these Articles of Association, or as determined by an ordinary resolution of the general meeting to have a significant impact on the Company.

At any time when the shares of the Company comprise shares of different classes, a special resolution of the Company's shareholders of the class to which the rights are attached shall be required to approve a change to those rights.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors shall be elected or replaced at the general meeting of shareholders. Subject to compliance with the relevant provisions of laws and administrative regulations, the general meeting of shareholders may remove any director whose tenure has not expired by ordinary resolutions. The term of office of a director shall be three years, and he/she may serve consecutive terms if re-elected upon the expiration of his/her term of office. The term of office of independent directors shall be the same as that of other directors of the Company. Upon expiration of the term, independent directors may be re-elected, but the consecutive term of office shall not exceed six years.

A director's term of office commences on the date of appointment and continues until the expiry of the current term of office of the Board. If a director's term of office expires but a new director not yet appointed, the original director shall continue to perform their director's duties according to the laws, administrative regulations, departmental rules and the Articles of Association.

The manager or other senior management executives may serve as directors concurrently, provided that the aggregate number of directors concurrently serving as general manager or other senior executives, together with directors who are employee representatives may not exceed 50% of the total number of directors of the Company.

The director shall comply with the laws, administrative regulations and the Articles of Association, undertaking the following duties of loyalty to the Company:

(1) he/she may not embezzle company property or misappropriate company funds;

(2) he/she may not to deposit the Company's funds in accounts opened in their own names or the names of other individuals;

(3) he/she may not take advantage of position to offer bribery or receive other illegal income;

(4) he/she may not, directly or indirectly, enter into contracts or trade with the Company without reporting to the Board or general meeting and being approved by the Board or general meeting in accordance with the Articles of Association;

(5) he/she may not take advantage of position to seek business opportunities belonging to the Company for himself/herself or other people, except if reporting to the Board or general meeting and being approved by resolution at the general meeting, or if, according to the laws, administrative regulations or the Articles of Association, the Company cannot use such opportunity;

(6) he/she may not engage in the same type of business as that of the Company for himself/herself or other persons without reporting to the Board or general meeting, and after being approved by resolution at the general meeting;

(7) he/she may not accept commissions on transactions between other persons and the Company as his/her own;

(8) he/she may not unilaterally disclose Company secrets;

(9) he/she may not make use of related-party relationship to damage the interests of the Company; and

(10) other duties of loyalty specified by the laws, administrative regulations, departmental rules and the GEM Listing Rules, securities regulatory rules of the place where the Company's shares are **[REDACTED]**, or other applicable requirements.

Any income obtained by a director in violation of this Article shall belong to the Company; if losses are caused to the Company, he/she shall bear liability for compensation.

The director shall comply with the laws, administrative regulations, and the Articles of Association, with a duty of diligence towards the Company. When performing duties, he/she shall exercise reasonable care that a prudent manager would ordinarily exercise for the best interests of the Company. The director has the following duties of diligence towards the Company:

(1) he/she shall be careful, serious and diligent in exercising his/her rights conferred by the Company, in order to ensure that the business activities of the Company comply with the laws, administrative regulations and various economic policies of the State; and that the business activities do not exceed the scope of business specified by the business license;

(2) he/she shall treat all shareholders fairly;

(3) he/she shall understand the operation and management of the Company business in a timely manner;

(4) he/she shall sign confirmation opinions on the periodic reports of the Company to ensure that the information disclosed by the Company is true, accurate, and complete;

(5) he/she shall truthfully supply relevant information to the audit committee, and not hinder the audit committee from exercising its duties; and

(6) other diligence duties specified by the laws, administrative regulations, rules, the GEM Listing Rules, securities regulatory rules of the place where the Company's shares are **[REDACTED]**, and other applicable provisions.

Board of Directors

The Company shall set up Board of Directors, which is accountable to the general meetings.

The Board shall consist of nine directors, including one chairman.

The Board exercises the following functions and powers:

(1) convening the general meeting and reporting its work to the general meeting;

(2) executing resolutions of the general meeting;

(3) deciding the operational plans and investment plans of the Company;

(4) preparing the profit distribution plans and loss compensation plans of the Company;

(5) preparing plans for the Company to increase or decrease its registered capital, issue bonds or other securities as well as the **[REDACTED]** of the Company;

(6) drafting plans for the Company with respect to significant acquisitions, purchase of shares, mergers, divisions, dissolution or change of the form of the Company;

(7) deciding the Company's outbound investments, purchase and sale of assets, pledge of assets, external guarantees, entrusted wealth management, related-party transactions, external donations and other matters within the scope authorised by the general meeting;

(8) deciding to establish the internal management organisations of the Company;

(9) deciding on the appointment or dismissal of Company managers, secretaries to the Board, and other senior executives, as well as deciding on their remuneration, reward and disciplinary matters; deciding on the appointment or dismissal of senior executives such as deputy managers, financial controllers, and deciding on their remuneration, reward and disciplinary matters based on the managers' nominations;

(10) preparing the basic management system of the Company;

(11) preparing proposal for the amendment of the Article of Association;

(12) managing the disclosure of information by the Company;

(13) requesting the general meeting to engage or replace the accounting firm that provides audit services to the Company;

(14) listening to the general manager's work report and inspecting the general manager's work; and

(15) other powers conferred by laws, administrative regulations, departmental rules, or these Articles of Association.

The Board of the Company shall establish an audit committee to exercise the official powers of the board of supervisors stipulated by the Company Law, and establish the Nomination Committee, the Remuneration and Appraisal Committee, and other relevant special committees.

The Board meeting shall be held only after more than half of the directors are present at the meeting. Board resolutions shall be passed by more than half of all the directors.

When voting for board resolutions, a director shall have one vote.

Where a director is related to an enterprise or individual involved in a board resolution, the director shall promptly submit a written report to the Board. A related director shall not vote for the said resolution and shall not represent another director in exercise of voting rights. The board meeting may be held with more than half of unrelated directors present, and resolutions passed by the board meeting shall require more than half of the votes of unrelated directors. Where the number of unrelated directors present at the Board meeting is less than three, the said matter shall be tabled at a general meeting for deliberation.

GENERAL MANAGER AND OTHER MEMBERS OF THE SENIOR MANAGEMENT

The Company shall have a general manager to be appointed or dismissed by the Board.

The Company shall have deputy managers who are appointed or dismissed by the Board.

The general manager, deputy general manager, financial officer and secretary to the Board are senior management members of the Company.

The general manager is responsible to the Board and exercises the following powers:

(1) presiding over the production and operation of the Company, implementing resolutions of the Board and reporting his/her work to the Board;

(2) implementing the annual operation plan and investment plan of the Company;

(3) drafting plans for establishment of the internal management organisation of the Company;

(4) drafting the basic management system of the Company;

(5) laying down the specific rules and regulations of the Company;

(6) requesting the Board to appoint or dismiss deputy managers and Chief Financial Officer;

(7) deciding to appoint or dismiss management personnel other than those who shall be appointed or dismissed by the Board;

(8) To formulate the salary, welfare, and reward and punishment systems for the company's employees, and to decide on the recruitment and dismissal of employees;

(9) With the authorisation of the board of directors, to represent the company in handling matters relating to external investments and in signing economic contracts, including those involving investment, cooperative operations, joint ventures, loans, etc."; and

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

The manager shall attend Board meetings.

The Company shall have one chief financial officer who shall be appointed or dismissed by the Board upon recommendation by the general manager.

The chief financial officer is in charge of the Company's financial affairs and manages and monitors the Company's financial activities.

The chief financial officer shall abide by the laws, administrative regulations, departmental rules, the GEM Listing Rules, the securities regulatory rules of the place where the company's shares are listed, and these Articles of Association, as well as other applicable provisions.

The Company shall have one secretary to the Board who shall be appointed or dismissed by the Board.

The secretary to the Board of Directors is responsible for the preparation of general meetings and meetings of Board of directors, keeping of documents, management of shareholders' information, and disclosure of information.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Financial and Accounting System

The Company lays down a financial and accounting system according to the laws, administrative regulations and provisions of relevant government departments.

Apart from the legally prescribed accounting books, the Company shall not establish another accounting book. The Company's funds will not be deposited under any personal accounts.

Profit Distribution

When the Company distributes its after-tax profits of the current year, it shall allocate 10% of the profits into the legal reserve fund. If the Company's legal reserve fund exceeds 50% of the registered capital, it shall not be required to make any further appropriation to legal reserve fund.

If the legal reserve fund of the Company is insufficient to compensate for the losses suffered in the previous year, then before making the allocation mentioned in the last paragraph, profits of the current year shall first be used to cover the losses. After the Company appropriates the legal reserve fund from the after-tax profits, if resolved by the general meeting, it may also appropriates an optional reserve fund from the after-tax profits. After the Company makes up losses and appropriates reserve funds, the balance of after-tax profits shall be distributed according to the proportion of shares held by shareholders.

If the general meeting violates the Company Law by distributing profits to shareholders, the shareholders shall return the distributed profits to the Company. If losses are caused to the Company, the shareholders and the responsible directors and senior executives shall be liable for compensation. Shares of the Company held by the Company do not participate in profit distribution.

The Company shall appoint one or more collection agents in Hong Kong SAR for H share shareholders. The collection agents shall collect or keep the dividends distributed by the Company on H shares and other amounts payable on behalf of the relevant H share shareholders pending payment to such H share shareholders. The collection agents appointed by the Company shall meet the requirements of the laws, regulations and the securities regulatory rules of the place where the Company's shares are **[REDACTED]**.

The Company may distribute profits in the form of cash, shares or a combination of cash and shares.

Internal Auditing

The Company shall implement an internal audit system, specifying leadership system, duties and limit of authority, staffing, budget assurance, application of audit findings and accountability etc. for internal audit work.

MERGER, DIVISION, DISSOLUTION AND LIQUIDATION OF THE COMPANY

Merger and Division of the Company

The Company may be merged by absorption or by consolidation.

If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement, and shall prepare a balance sheet and a property list. The company shall, within ten days from the date of the resolution on the merger, notify its creditors, and shall, within thirty days, make a public announcement in a newspaper or on the National Enterprise Credit Information Publicity System.

Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days as of the date of the resolution for the division and shall publish an announcement on the newspapers publicly or on the National Enterprise Credit Information Publicity System.

Dissolution and Liquidation of the Company

The Company may be dissolved due to the following reasons:

(1) expiry of the business term as specified by the Articles of Association or the occurrence of other matters for dissolution as specified by the Articles of Association;

(2) dissolution by a resolution of the general meeting;

(3) dissolution due to merger or division;

(4) revocation of the business license, or being ordered to be closed down or revoked according to the law; or

(5) where the Company has serious difficulties in its business management and its subsistence will cause serious damage to the interests of its shareholders, which is unable to be resolved through any other means, a shareholder who holds 10% or more of the voting rights of the Company may apply to a people's court for dissolution of the Company.

Upon occurrence of an event which triggers dissolution as stipulated in the preceding paragraph, an announcement shall be made through the National Enterprise Credit Information Publicity System within 10 days.