This Appendix contains a summary of the principal provisions of the Articles of Association. As the principal objective of this Appendix is to provide potential investors with an overview of the Articles of Association, it may not contain all the information that is important to potential investors. The full text of the Articles of Association in Chinese is available for inspection, as discussed in the Appendix to the document entitled "Appendix VII — Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display."

SHARES AND REGISTERED CAPITAL

The shares of the Company shall be in the form of stock certificates. The issuance of the Company's shares shall follow the principles of fairness and impartiality. Each share of the same class shall carry equal rights. Shares of the same class issued at the same time shall be issued under identical conditions and at the same price. Each share subscribed for by any entity or individual shall be paid for at the same price.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

In accordance with the needs of its operations and development, and in compliance with laws and administrative regulations, the Company may increase its registered capital by a resolution of the meeting of shareholders through the following methods:

(1) Issuing shares to non-specific parties;

(2) Issuing shares to specific parties;

(3) Distribution of bonus shares to existing shareholders;

(4) Capitalization of capital reserves;

(5) Other methods as prescribed by laws, administrative regulations, the CSRC, the securities regulatory authorities of the place where the Company's shares are listed, and other regulatory authorities.

Any increase in registered capital shall be processed in accordance with the procedures prescribed by relevant laws and regulations, after obtaining approval under these Articles of Association and the regulations of the stock exchange where the Company's shares are listed. For capital increases under methods (1) and (2) above, existing shareholders prior to the share issuance shall not enjoy preemptive rights to the newly issued shares.

The Company may reduce its registered capital. Any reduction in registered capital shall be conducted in accordance with the procedures stipulated in the Company Law, the Hong Kong Stock Exchange Listing Rules, other relevant regulations, and this Articles of Association.

Repurchase of Shares

The Company shall not acquire its own shares, except under any of the following circumstances:

(1) reducing the Company's registered capital;

(2) merging with another company that holds shares of the Company;

(3) using the shares for employee stock ownership plans or equity incentives;

(4) at the request of a shareholder who objects to a resolution of the meeting concerning a merger or division of the Company, requiring the Company to repurchase their shares;

(5) using the shares for converting corporate bonds issued by the Company that are convertible into shares;

(6) necessary for maintaining the Company's value and safeguarding shareholders' rights and interests.

The Company may acquire its own shares through public centralized trading or other means recognized by laws, administrative regulations, and the CSRC.

If the Company acquires its own shares for the reasons specified under the circumstances (1) or (2), such acquisition shall be subject to a resolution of the meeting of shareholders. In case of the circumstances stipulated in (3), (5), or (6), a resolution of the Company's Board shall be passed by more than two-thirds of the Directors attending the Board meeting in compliance with the securities regulatory rules of the jurisdiction where the Company's shares are listed.

After the Company has repurchased its own shares in accordance the circumstance (1), the shares shall be canceled within 10 days from the date of acquisition; under the circumstance (2) and (4), the shares shall be transferred or canceled within six months; under the circumstances (3), (5), and (6), the total number of shares held by the Company shall not exceed 10% of the total number of shares issued by the Company, and shall be transferred or canceled within three years.

Transfer of Shares

The shares of the Company may be transferred in accordance with the law.

The Company shall not accept its own shares as the subject of a pledge.

Shares issued before the public offering of the Company shall not be transferred within one year from the date the Company's shares are listed and traded on a stock exchange.

Directors and senior management of the Company shall report to the Company the number of Company shares they hold and any changes thereto. During their term of office, the number of shares they transfer each year shall not exceed 25% of the total shares they hold in the Company. Such personnel shall not transfer any shares they hold in the Company within one year from the date of the Company's stock listing. Within six months after their resignation, they shall not transfer any shares they hold in the Company.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

The Company shall establish a register of shareholders, which shall serve as conclusive evidence of a shareholder's ownership of the Company's shares. Shareholders shall enjoy rights and undertake obligations in accordance with the type of shares they hold; shareholders holding the same class of shares shall enjoy equal rights and bear the same obligations.

Shareholders of the Company shall have the following rights:

(1) To receive dividends and other forms of distributions in proportion to the shares they hold;

(2) To request, convene, preside over, attend, or appoint proxies to attend shareholders' meetings and exercise corresponding voting rights in accordance with the law;

(3) To supervise the Company's operations and make suggestions or inquiries;

(4) To transfer, gift, or pledge the shares they hold in accordance with laws, administrative regulations, the Hong Kong Stock Exchange Listing Rules and this Articles of Association;

(5) To inspect and copy the Articles of Association, the register of shareholders, minutes of shareholders' meetings, resolutions of the Board of Directors, and the financial and accounting reports that have been disclosed in accordance with the regulations. Shareholders who meet the specified requirements may inspect the company's accounting books and vouchers;

(6) Upon the Company's dissolution or liquidation, to participate in the distribution of the remaining assets of the Company in proportion to the shares they hold;

(7) If dissenting to a resolution on merger or division adopted by the shareholders' meeting, to request the Company to repurchase their shares;

(8) Other rights prescribed by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed, or this Articles of Association.

In the event that any resolution of the Shareholders' meeting or resolution of the Board of Directors violates laws or administrative regulations, the Shareholder is entitled to request the People's Court to deem it as invalid.

In the event that the convening procedure or voting method of the Shareholders' meeting or the Board meeting violates any of laws, administrative regulations or the Articles of Association, or any resolution of which violates the Articles of Association, the Shareholder is entitled to request the People's Court to overturn the resolution within 60 days upon the resolution was adopted. However, this provision shall not apply if the procedural defects in convening the meeting or the voting methods are only minor and have no material effect on the resolution.

Resolutions adopted by the shareholders' meeting or board of directors of the Company shall be deemed invalid under any of the following circumstances:

(1) The resolution was adopted without convening a shareholders' meeting or board meeting;

(2) No voting was conducted on the proposed resolution at the shareholders' meeting or board meeting;

(3) The number of attendees or voting rights represented at the meeting failed to meet the quorum requirements prescribed by the *Company Law* or these Articles of Association;

(4) The number of affirmative votes or voting rights in favor of the resolution failed to meet the approval thresholds prescribed by the *Company Law* or these Articles of Association.

Shareholders of the Company shall assume the following obligations:

(1) to abide by the laws, administrative regulations and the Articles of Association;

(2) to pay subscription monies according to the number of shares subscribed and the method of subscription;

(3) not to withdraw the shares unless required by the laws and administrative regulations;

(4) not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders, and not to abuse the status of the Company as an independent legal entity and the limited liability of shareholders to jeopardize the interests of any creditors of the Company;

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

Where any shareholder of the Company abuses the shareholders' rights and incur losses to the Company or other shareholders, such shareholder shall be liable for the damages according to laws. Where shareholders of the Company abuse the Company's status as an independent legal entity and the limited liability of shareholders for the purposes of evading debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Any shareholder holding 5% or more of the Company's shares with voting rights who pledges their shares shall submit a written report to the Company on the date the pledge occurs.

The Company's controlling shareholders and actual controllers shall comply with the following provisions:

(1) Exercise shareholder rights in accordance with the law, and refrain from abusing control rights or exploiting connected relationships to harm the legitimate interests of the Company or other shareholders;

(2) Strictly fulfill all public statements and commitments made, and shall not arbitrarily modify or waive them;

(3) Strictly perform information disclosure obligations in accordance with relevant regulations, actively cooperate in disclosure work, and promptly inform the Company of any material events that have occurred or are planned;

(4) Shall not misappropriate Company funds in any form;

(5) Shall not coerce, direct, or demand the Company or its personnel to provide illegal or non-compliant guarantees;

(6) Shall not exploit undisclosed material information of the Company for personal gain, disclose any undisclosed material information related to the Company in any manner, or engage in illegal activities such as insider trading, short-swing trading, or market manipulation;

(7) Shall not harm the legitimate interests of the Company or other shareholders through non-arm's length connected transactions, profit distributions, asset reorganizations, external investments, or any other means;

(8) Ensure the Company's asset integrity, personnel independence, financial independence, organizational independence, and operational independence, and shall not impair the Company's independence in any way;

(9) Other requirements stipulated by laws, administrative regulations, the CSRC, the stock exchange where the Company's shares are listed, and these Articles of Association.

General Provisions for Shareholders' Meetings

The shareholders' meeting is the supreme authority of the Company and shall exercise the following powers in accordance with the law:

(1) To elect and replace directors, and to determine matters related to the remuneration of the Company's directors;

(2) To review and approve the report of the Board of Directors;

(3) To review and approve the Company's profit distribution plan and plan for making up losses;

(4) To resolve on increasing or reducing the Company's registered capital;

(5) To resolve on the issuance of corporate bonds and the listing plan;

(6) To resolve on matters such as the Company's merger, division, dissolution, liquidation, or change of corporate form;

(7) To amend the Articles of Association;

(8) To resolve on the appointment or dismissal of the accounting firm for the Company;

(9) To review and approve the guarantee matters specified in Article 47 of these Articles of Association;

(10) To review the purchase or sale of major assets by the Company involving, either individually or cumulatively within twelve consecutive months, an asset value or transaction amount exceeding 30% of the Company's most recently audited total assets;

(11) To review and approve any changes in the use of funds raised through public offerings;

(12) To review stock incentive plans and employee stock ownership plans;

(13) To review and approve other matters that, according to laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed, or this Articles of Association, should be decided by the shareholders' meeting.

The shareholders' meeting may authorize the board of directors to make resolutions on the issuance of corporate bonds.

The following external guarantee acts must be submitted to the shareholders' meeting for approval:

(1) Any guarantee provided when the aggregate amount of external guarantees for the Company and its controlled subsidiaries exceeds 50% of the most recently audited net assets;

(2) Any guarantee provided when the Company's total external guarantees exceed 30% of the most recently audited total assets;

(3) Guarantees where the aggregate amount within one year exceeds 30% of the Company's most recently audited total assets;

(4) Guarantees provided to entities with a debt-to-asset ratio exceeding 70%;

(5) Single guarantees exceeding 10% of the most recently audited net assets;

(6) Guarantees provided to shareholders, actual controllers, or their connected parties;

(7) Other guarantee circumstances requiring shareholders' meeting approval as stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the jurisdiction where the Company's shares are listed, or other normative documents.

Other external guarantee matters that do not meet the above thresholds shall be subject to approval by the Board of Directors.

Any guarantees provided by the Company to shareholders, actual controllers shall require approval by the shareholders' meeting. For guarantee matters within the authority of the Board of Directors, approval by more than half of all directors is required, and at least two-thirds of the directors attending the Board meeting must consent.

When the shareholders' meeting deliberates on a proposal to provide a guarantee to shareholders or actual controllers, the relevant shareholders or shareholders under the control of the actual controller shall abstain from voting on such matters. The resolution shall be adopted by a majority of the voting rights held by the other shareholders present at the meeting. If all shareholders are related parties, the abstention procedure is not required, and all shareholders shall participate in the vote.

Shareholders' meetings are classified into annual meetings and extraordinary meetings. An annual meeting shall be held once every year and must take place within six months after the end of the preceding fiscal year.

Under any of the following circumstances, the Company shall convene an extraordinary meeting within two months from the date the event occurs:

(1) The number of directors falls below the statutory minimum or less than two-thirds of the number specified in these Articles of Association;

(2) The Company's uncovered losses amount to one-third of the total paid-in share capital;

(3) Shareholders individually or jointly holding 10% or more of the Company's shares request the meeting in writing;

(4) The Board of Directors deems it necessary;

(5) The Audit Committee proposes to convene the meeting;

(6) Other circumstances stipulated by laws, administrative regulations, departmental rules, securities regulatory requirements of the jurisdiction where the Company's shares are listed, or these Articles of Association.

The shareholders' meeting shall be held at the Company's domicile, its regular place of business, or any other venue specified in the meeting notice.

The shareholders' meeting shall be held with a physical venue for in-person attendance. The Company shall also provide means such as remote voting to facilitate shareholder participation. Shareholders participating through such means shall be deemed present.

Once a notice of the shareholders' meeting has been issued, the venue of the on-site meeting shall not be changed without just cause. If a change is indeed necessary, the convener shall provide an explanation at least two working days before the scheduled on-site meeting.

Convening of Shareholders' Meetings

Shareholders' meetings shall be convened by the Board of Directors in accordance with the law.

The independent non-executive directors shall have the right to propose the convening of an extraordinary general meeting to the Board of Directors, subject to approval by a majority of all independent non-executive directors. Upon receiving such a proposal, the Board shall, in accordance with laws, administrative regulations, and these Articles of Association, provide a written response indicating whether it agrees to convene the meeting within ten days. If the Board agrees, it shall issue the notice for the shareholders' meeting within five days of adopting the relevant board resolution. If it does not agree, it shall explain the reasons and make an announcement.

The Audit Committee has the right to propose to the Board of Directors to convene an extraordinary meeting and shall make the proposal in writing. The Board shall, in accordance with laws, administrative regulations, and these Articles of Association, provide a written response indicating whether it agrees to convene the meeting within ten days of receiving the proposal.

If the Board agrees, it shall issue the meeting notice within five days of adopting the board resolution, and any changes to the original proposal must be approved by the Audit Committee.

If the Board disagrees or fails to respond within ten days, it shall be deemed as a failure or refusal to perform its duty to convene the meeting. In such case, the Audit Committee may convene and preside over the meeting on its own initiative.

Shareholders individually or jointly holding more than 10% of the Company's shares have the right to request the Board of Directors to convene an extraordinary meeting, and such request shall be submitted in writing. The Board shall, in accordance with laws, administrative regulations, and these Articles of Association, provide a written response indicating whether it agrees to convene the meeting within ten days.

If the Board agrees, it shall issue the meeting notice within five days of adopting the board resolution, and any changes to the original request must be approved by the relevant shareholders.

If the Board disagrees or fails to respond within ten days, the shareholders holding more than 10% of the shares may submit the request in writing to the Audit Committee.

If the Audit Committee agrees, it shall issue the meeting notice within five days of receiving the request, and any changes to the original request must be approved by the relevant shareholders.

If the Audit Committee disapproves the convening of an extraordinary general meeting or fails to provide feedback within 10 days upon receipt of the request, it shall be deemed that the Audit Committee refuses to convene and preside over the shareholders' meeting. Shareholders who have individually or jointly held more than 10% of the shares for more than 90 consecutive days may convene and preside over the meeting themselves.

If the Audit Committee or shareholders decide to convene a shareholders' meeting on their own initiative, they shall provide written notice to the Board of Directors. If the securities regulatory rules of the jurisdiction where the Company's shares are listed provide otherwise, such rules shall prevail, provided that they do not contravene domestic laws, administrative regulations, or these Articles of Association.

Before a resolution is passed to hold a shareholders' meeting, the convening shareholders' shareholding ratio shall not be less than 10%.

Where a shareholders' meeting is convened by the Audit Committee or shareholders themselves, the Board of Directors and the Board Secretary shall provide necessary cooperation. The Board shall provide the shareholder register as of the date of the meeting.

All necessary expenses for a shareholders' meeting convened by the Audit Committee or shareholders themselves shall be borne by the Company.

Proposals and Notice of Shareholders' Meeting

The content of a proposal shall fall within the scope of authority of the shareholders' meeting, contain a clear topic and specific resolution matters, and comply with relevant laws, administrative regulations, and the Articles of Association.

When the Company convenes a shareholders' meeting, the Board of Directors, the Audit Committee, and shareholders individually or jointly holding more than 1% of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding more than 1% of the Company's shares may submit interim proposals in writing to the convener no later than ten days before the shareholders' meeting is held. Upon receipt of such proposals, the convener shall issue a supplementary notice of the shareholders' meeting within two days to inform shareholders of the content of the interim proposals.

Except as provided in the preceding paragraph, after the notice of the shareholders' meeting has been issued, the convener shall not modify the proposals listed in the notice or add new proposals.

Proposals that are not specified in the notice of the shareholders' meeting or do not comply with these Articles of Association shall not be put to vote or adopted by the shareholders' meeting.

The convener shall notify all shareholders of the annual meeting twenty days prior to its convening, and of an extraordinary meeting fifteen days prior to its convening.

Proxy for the Shareholders' Meeting

All shareholders listed in the register of shareholders, or their proxies, shall have the right to attend the shareholders' meeting and exercise their voting rights in accordance with applicable laws, regulations, and these Articles of Association.

Shareholders may attend the shareholders' meeting in person or appoint a proxy to attend and vote on their behalf.

Individual shareholders attending the meeting in person shall present their identity card or other valid documents or certificates that can verify their identity; where a proxy is appointed to attend the meeting, the proxy shall present a valid identity document and a shareholder's power of attorney.

A corporate shareholder shall be represented by its legal representative or a proxy appointed by the legal representative. The legal representative attending the meeting shall present their identity card and valid proof of legal representative status. If a proxy is appointed, the proxy shall present their identity card and a written power of attorney lawfully issued by the corporate shareholder's legal representative.

A power of attorney issued by a shareholder to authorize another person to attend the shareholders' meeting shall specify the following:

(1) The name of the principal and the number of shares held in the Company;

(2) The name of the proxy;

(3) Voting instructions for each proposed resolution on the meeting agenda, specifying "for," "against," or "abstain";

(4) The issuance date and validity period of the power of attorney;

(5) The signature (or seal) of the principal. If the principal is an institutional shareholder, the official seal of the institution shall be affixed.

If a proxy is authorized to sign the proxy voting authorization letter on behalf of the shareholder, the power of attorney or other authorization documents must be notarized. The notarized power of attorney or other authorization documents, together with the proxy voting authorization letter, shall be kept at the Company's domicile or other location specified in the notice of the meeting.

If the shareholder is a legal person or unincorporated entity, its legal representative or a person authorized by a resolution of its board of directors or other decision-making body shall attend the shareholders' meeting as its representative.

Voting and Resolutions of the Shareholders' Meeting

Resolutions of the shareholders' meeting shall be classified into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by more than half of the voting rights held by shareholders (including proxies) attending the shareholders' meeting.

A special resolution shall be passed by at least two-thirds of the voting rights held by shareholders (including proxies) attending the shareholders' meeting.

The following matters shall be resolved by an ordinary resolution of the shareholders' meeting:

(1) Reports of the Board of Directors;

(2) Profit distribution plans and loss recovery plans formulated by the Board of Directors;

(3) Appointment and removal of members of the Board of Directors, and their remuneration and payment methods;

(4) Other matters except those required by laws, administrative regulations, securities regulatory rules of the jurisdiction where the Company's shares are listed, or these Articles of Association to be adopted by special resolution.

The following matters shall be resolved by a special resolution of the shareholders' meeting:

(1) Increase or decrease of the Company's registered capital;

(2) Division, spin-off, merger, dissolution, or liquidation;

(3) Amendments to the Articles of Association;

(4) Acquisition or disposal of assets where the total assets involved or transaction amount exceeds 30% of the Company's most recently audited total assets within a continuous twelve-month period;

(5) Equity incentive plans;

(6) Other matters required by laws, administrative regulations, securities regulatory requirements of the jurisdiction where the Company's shares are listed, or these Articles of Association, and matters deemed by an ordinary resolution of the shareholders' meeting to have a material impact on the Company and therefore requiring a special resolution.

Shareholders (including proxies) shall exercise voting rights based on the number of voting shares they represent, with one vote per share.

When the shareholders' meeting deliberates on significant matters affecting the interests of minority investors, the votes of minority investors shall be counted separately. The results of such separate vote counting shall be disclosed in a timely manner.

Shares held by the Company shall not carry voting rights and shall not be included in the total number of shares with voting rights present at the meeting.

Where a shareholder acquires shares with voting rights in violation of Article 63, Paragraphs 1 and 2 of the Securities Law, the portion of shares exceeding the prescribed ratio shall not carry voting rights for 36 months from the date of acquisition and shall not be included in the total number of shares with voting rights present at the meeting. (Applicable after listing)

The Company's Board of Directors, independent non-executive directors, shareholders holding 1% or more of the voting shares, or investor protection institutions established in accordance with laws, administrative regulations, or CSRC rules, may solicit shareholders' voting rights.

When the shareholders' meeting deliberates on matters involving related-party transactions, the related shareholders shall abstain from voting, and the voting rights of the shares they represent shall not be counted in the total number of valid votes. The announcement of the shareholders' meeting resolution shall fully disclose the voting situation of non-associated shareholders.

DIRECTORS AND THE BOARD OF DIRECTORS

Directors

Company directors shall be natural persons. A person who falls under any of the following circumstances shall not serve as a director of the Company:

(1) a person who has no or limited civil capacity;

(2) a person who has been sentenced for corruption, bribery, embezzlement, misappropriation of property, or disrupting the socialist market economic order, and the sentence has not expired for more than five years; or having been deprived of political rights for committing a crime, and the deprivation has not expired for more than five years; or having been granted probation, where less than two years have elapsed since the end of the probation period;

(3) a person who has served as a director, factory manager, or general manager of a company or enterprise that went bankrupt and was liquidated, and being personally liable for the bankruptcy, where less than three years have elapsed since the completion of the liquidation;

(4) a person who has served as the legal representative of a company or enterprise whose business license was revoked or which was ordered to close due to legal violations, and being personally liable for such violations, where less than three years have elapsed since the business license was revoked;

(5) a person who has a large amount of personal debt that is overdue and unpaid;

(6) a person who is subject to market entry restrictions by the China Securities Regulatory Commission, where the restriction period has not yet expired;

(7) other circumstances where a person is disqualified from serving as a director under laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or departmental rules.

If a director is elected or appointed in violation of the provisions of this Article, such election, appointment, or engagement shall be invalid. If a director falls under any of the circumstances listed in this Article during his or her term of office, the Company shall remove him or her from office.

Directors shall be elected or replaced by the shareholders' meeting, and may be removed by the shareholders' meeting before the expiration of their term of office.

Each director shall serve a term of three years and may be re-elected upon the expiry of their term. Independent Non-Executive Directors shall serve the same term as other directors of the Company. Upon expiration of their term, they may be re-elected for consecutive terms, provided that the cumulative tenure shall not exceed six years.

The term of a director shall commence from the date of assuming office and shall end upon the expiration of the term of the current board of directors. Where the election of new directors is not conducted in a timely manner upon expiration of the term, the incumbent directors shall continue to perform their duties as directors in accordance with laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected directors assume office.

Where additional or replacement directors are elected before the end of a term, their term shall be the remaining term of the current board of directors, and shall commence from the date on which the shareholders' meeting approves their election and end on the date when newly elected directors are approved at the expiration of the current board's term.

A director may concurrently serve as the general manager or other senior management personnel. However, the number of directors concurrently serving as the general manager or other senior management personnel, together with directors elected as employee representatives, shall not exceed one-half of the total number of directors of the Company.

Board of Directors

The Company shall establish a Board of Directors. The Board of Directors shall consist of seven directors. Board members shall be elected by the shareholders' meeting in accordance with the law. Directors shall be classified into executive directors, non-executive directors and independent directors, among which there shall be no fewer than three independent directors, accounting for at least one-third of the total number of the Board. At least one independent director must possess appropriate professional qualifications or have accounting or relevant financial management expertise. Additionally, at least one independent director shall ordinarily reside in Hong Kong.

The Board of Directors may, as needed, establish special committees such as the Remuneration Committee, Strategy Committee, Nomination Committee, Audit Committee, and Related Party Transactions Committee, which shall be accountable to the Board of Directors.

The Board of Directors shall exercise the following powers:

(1) Convene the Shareholders' Meeting and report its work thereto;

(2) Implement resolutions adopted by the Shareholders' Meeting;

(3) Decide the Company's business plans and investment proposals;

(4) Propose profit distribution plans and loss recovery plans;

(5) Propose plans for increasing or reducing the registered capital of the Company, and for issuing bonds or other securities and listing;

(6) Subject to the provisions of the securities regulatory rules of the place where the Company's shares are listed, draft proposals for significant acquisitions, repurchase of shares, merger, division, dissolution, or change of company form;

(7) Subject to the provisions of the securities regulatory rules of the place where the Company's shares are listed and within the scope of authorization granted by the shareholders' meeting, decide on matters such as external investment, acquisition and disposal of assets, asset pledges, provision of external guarantees, entrusted wealth management, related-party transactions, and charitable donations;

(8) Decide on the establishment of the Company's internal management structure;

(9) Decide on the appointment or dismissal of the managers, board secretary, and other senior management personnel, and determine their remuneration, rewards, and punishments; based on the nomination of the general manager, decide on the appointment or dismissal of the company's deputy general manager, chief financial officer, and other senior management personnel, and determine their remuneration and matters of rewards and punishments;

(10) Formulate the Company's basic management systems;

(11) Propose amendments to the Articles of Association;

(12) Manage the Company's information disclosure affairs;

(13) Submit proposals to the Shareholders' Meeting on the appointment or replacement of the accounting firm responsible for auditing the Company;

(14) Hear reports on the work of the General Manager, and supervise the performance;

(15) Other powers stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or this Articles of Association, or granted by the shareholders' meeting.

There are no specific provisions in the Articles of Association for Directors to exercise borrowing power, but there are relevant provisions on matters relating to the Company's external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, related (connected) party transactions, and external donations as determined by the Board of Directors and the chairman within the scope authorized by the Shareholders' meeting.

Any matters exceeding the scope of authority conferred by the Shareholders' Meeting shall be submitted to the Shareholders' Meeting for deliberation.

Chairman

The Chairman shall exercise the following powers:

(1) Preside over the Shareholders' Meetings and convene and preside over the meetings of the Board of Directors;

(2) Supervise and inspect the implementation of resolutions adopted by the Board of Directors;

(3) Subject to any other provisions in the securities regulatory rules of the place where the Company's shares are listed, sign important documents of the Board of Directors and other documents that should be signed by the Chairman of the Company;

(4) Other powers granted by the Board of Directors.

The Board of Directors shall convene at least four meetings each year, which shall be convened by the Chairman. A written notice shall be given to all directors at least fourteen days before the meeting is held.

Special Committees under the Board

The Company's Board of Directors establishes an Audit Committee, which exercises the powers of the Supervisory Board as stipulated by the Company Law.

The Audit Committee shall consist of three members, who must be non-executive directors. The Audit Committee shall have at least three members, with a majority of independent directors. At least one member must be an independent director with the appropriate professional qualifications as specified by the securities regulatory rules of the place where the Company's shares are listed, or with appropriate expertise in accounting or related financial management. The convener (i.e., the chairperson) of the committee must be an independent director.

The Company's Board of Directors establishes other special committees such as the Nomination Committee and the Remuneration Committee, which shall perform their duties in accordance with this Articles of Association and the authorization granted by the Board of Directors. Proposals from these special committees shall be submitted to the Board of Directors for deliberation and decision. The working procedures of the special committees shall be formulated by the Board of Directors. The members of the Remuneration Committee and the Nomination Committee must have a majority of independent directors. The convener (i.e., the chairperson) of the Remuneration Committee must be an independent director, and the convener (i.e., the chairperson) of the Nomination Committee must be the Chairman of the Board or an independent director.

General Manager and Other Senior Management Members

The Company shall have one General Manager and several Deputy General Managers and other senior management personnel, who shall be appointed or dismissed by the Board of Directors.

Personnel holding administrative positions (other than as a director or supervisor) in the Company's controlling shareholder entity shall not serve as senior management personnel of the Company.

Senior management personnel of the Company shall receive salaries solely from the Company and not from the controlling shareholder.

The term of office for the General Manager shall be three years. The General Manager may be reappointed by the Board of Directors upon expiration of the term. If the General Manager is replaced during the term, the new term shall commence from the date the Board resolution is passed and end upon the expiry of the current Board's term.

The General Manager shall be accountable to the Board of Directors and shall exercise the following powers and functions:

(1) To preside over the production and operation management of the Company, implement the resolutions of the Board of Directors, and report work to the Board of Directors;

(2) To organize and implement the Company's annual business plan and investment programs;

(3) To draft plans for the establishment of the Company's internal management structure;

(4) To draft the Company's basic management systems;

(5) To formulate specific regulations of the Company;

(6) To propose to the Board of Directors the appointment or dismissal of the Deputy General Manager and the Chief Financial Officer;

(7) To decide on the appointment or dismissal of management personnel other than those to be appointed or dismissed by the Board of Directors;

(8) Other powers granted by these Articles of Association or the Board of Directors.

The General Manager shall attend meetings of the Board of Directors.

In accordance with the needs of the Company, the General Manager may formulate the General Manager's Rules of Procedure, which shall be implemented upon approval by the Board of Directors.

The General Manager may resign before the expiration of the term. The procedures and methods for resignation shall be governed by the employment contract between the General Manager and the Company.

The term of office for Deputy General Managers and other senior management personnel shall be three years. The General Manager shall propose their appointment or dismissal to the Board of Directors. Deputy General Managers and other senior management personnel shall assist the General Manager in managing specific aspects of the Company's operations. The specific division of labor shall be determined by the General Manager and filed with the Board of Directors.

The Company shall appoint a Board Secretary, who shall be responsible for the preparation of shareholders' meetings and board of directors' meetings, the custody of documents, and the management of shareholders' records. The Board Secretary shall also handle matters related to information disclosure.

The Board Secretary shall comply with applicable laws, administrative regulations, departmental rules, the Articles of Association, and relevant Company policies and procedures.

If any senior management personnel, in the course of performing their duties, violate laws, administrative regulations, departmental rules, or the Articles of Association and cause losses to the Company, they shall be liable for compensation.

Senior management personnel shall perform their duties faithfully and in the best interests of the Company and all shareholders. If any senior management personnel fail to perform their duties in good faith or breach their fiduciary obligations, resulting in damage to the interests of the Company or public shareholders, they shall bear liability for compensation in accordance with the law.

FINANCIAL AND ACCOUNTING SYSTEM

The Company shall, in accordance with laws, administrative regulations, and relevant regulations of state authorities, establish its financial and accounting systems.

The Company shall promptly prepare financial reports at the end of each fiscal year.

In addition to being prepared in accordance with Chinese accounting standards and regulations, the Company's financial statements shall also be prepared in accordance with the accounting standards specified by the international or stock exchange regulations of the place where the Company is listed. If there are significant differences between the financial statements prepared under the two sets of accounting standards, such differences shall be noted in the notes to the financial statements.

The Company shall not establish any accounting books other than the statutory ones. The Company's assets shall not be deposited into any account opened in the name of an individual.

When distributing the profits after tax for the current year, the Company shall allocate 10% of the profits to the statutory reserve fund. When the statutory reserve fund has accumulated to more than 50% of the Company's registered capital, no further appropriation is required.

If the statutory reserve fund is insufficient to cover losses from previous years, the Company shall use the current year's profits to cover the losses before making appropriations to the statutory reserve fund in accordance with the preceding paragraph.

After the statutory reserve fund is appropriated from the post-tax profits, the Company may, pursuant to a resolution of the shareholders' meeting, appropriate discretionary reserve funds from the post-tax profits.

The remaining post-tax profits after covering losses and making appropriations to the reserve funds shall be distributed to shareholders in proportion to the shares held by them.

If the shareholders' meeting distributes profits to shareholders in violation of the preceding paragraph before the Company has covered its losses and made the required appropriations to the statutory reserve fund, shareholders must return the distributed profits to the Company.

The Company's own shares held by the Company shall not be entitled to profit distribution.

The Company's cash dividend policy aims for stable and growing dividends. Subject to the conditions for profit distribution, the Company may distribute dividends in the form of cash, shares, or a combination of both, with cash dividends taking precedence over share dividends.

If the Company's most recent audited report is not an unqualified opinion or is an unqualified opinion with a significant uncertainty related to going concern, the Company may refrain from profit distribution.

The reserve fund of the Company shall be used to cover losses, expand production and business operations, or increase the Company's capital.

To cover the Company's losses with surplus funds, the discretionary surplus reserve and the statutory surplus reserve shall be used first; if the losses still cannot be fully covered, the capital surplus reserve may be used in accordance with the regulations.

When the statutory reserve fund is converted into capital, the amount retained in the statutory reserve fund shall not be less than 25% of the Company's registered capital prior to the conversion.

INTERNAL AUDIT

The Company shall implement an internal audit system, clarifying the leadership structure of internal audit work, its responsibilities and authorities, personnel allocation, financial support, application of audit results, and accountability.

The Company's internal audit system shall be implemented and disclosed externally after approval by the Board of Directors.

APPOINTMENT OF ACCOUNTING FIRM

The Company shall engage an accounting firm that meets the requirements set forth in the Securities Law to conduct audits of the financial statements, verify net assets, and provide other related consulting services, with the appointment term being one year, which can be renewed.

The engagement or dismissal of an accounting firm by the Company shall be submitted to the Board of Directors for deliberation after obtaining the consent of more than half of the members of the Audit Committee, and shall be decided by the shareholders' meeting. The appointment, dismissal, and remuneration (or the method of determining remuneration) of the accounting firm must be decided by the shareholders' meeting in the form of an ordinary resolution. The Board of Directors shall not appoint an accounting firm before the decision of the shareholders' meeting.

The Company guarantees that it will provide the engaged accounting firm with truthful and complete accounting vouchers, accounting books, financial reports, and other accounting materials, and will not refuse, conceal, or falsify any information.

The audit fees of the accounting firm shall be decided by the shareholders' meeting.

If the Company dismisses or does not renew the engagement of the accounting firm, it must notify the accounting firm seven days in advance. When the shareholders' meeting votes on the dismissal of the accounting firm, the accounting firm shall be allowed to state its opinions.

If the accounting firm resigns, it must explain to the shareholders' meeting whether there are any improper circumstances with the Company.