This appendix summarizes the main clauses of the Articles of Association of the Company, which become effective from the date of [REDACTED] of H Shares in the Hong Kong Stock Exchange. This appendix mainly aims to provide an overview of the Articles of Association of the Company, and thus does not contain all information which may be material to the [REDACTED].

ISSUANCE OF SHARES

Shares of the Company are in the form of share certificates. The issuance of shares by the Company shall adhere to the principles of openness, fairness and equitable. Every share of the same class shall rank *pari passu* to every other share of the same class. Shares of the same class issued at the same time shall have the same terms and price. The same amount of money is payable by a subscriber subscribing the share.

All shares issued by the Company are par value shares marked in RMB with a par value of RMB1 per share.

INCREASE, DECREASE AND REPURCHASE OF SHARES

Based on the needs for corporate operation and development, the Company, in accordance with laws and regulations, may increase its capital in the following ways as approved by the general meeting in separate resolutions:

(1) issuance of shares to non-specific subject(s);

(2) issuance of shares to specific subject(s);

(3) distribution of bonus shares to existing shareholders;

(4) transfer to capital by provident funds;

(5) other methods as stipulated by laws and administrative regulations and approved by the China Securities Regulatory Commission.

The Company may reduce its registered capital. When reducing its registered capital, the Company shall act according to the Company Law, the Hong Kong Listing Rules, other relevant provisions and these Articles.

Subject to non-violation of the requirements of laws, regulations, the Hong Kong Listing Rules and these Articles, the Company may acquire its own shares under the following circumstances in accordance with the requirements of laws, administrative regulations, departmental rules and these Articles:

(1) reduction of the registered capital of the Company;

(2) merge with another company that holds shares in the Company;

(3) utilization of shares as employee stock ownership plan or equity incentives;

(4) with respect to shareholders who voted against any resolution adopted at any general meetings on the merger or division of the Company, to request the Company to buy back the shares held by them;

(5) utilization of shares for the conversion of convertible corporate bonds issued by the Company;

(6) maintenance of corporate value and interests of shareholders when necessary.

Except for the above circumstances, the Company shall not participate in any transaction of its own shares.

The Company may acquire its own shares by means of public centralized trading or other means approved by laws, administrative regulations, the Hong Kong Listing Rules, the China Securities Regulatory Commission or the Hong Kong Stock Exchange. If the Company acquires its own shares due to the circumstances specified in (3), (5) and (6) of the first paragraph of the Article 24 of these Articles, the acquisition shall be made through public centralized trading.

The Company must obtain the approval of the general meeting before it can acquire shares pursuant to the reasons set out in (1) and (2) of the first paragraph of Article 24. The Company may, in compliance with the requirements of these Articles or the authorization of the general meeting and upon the approval by the resolution of the Board meeting where over 2/3 of directors are present, acquire shares pursuant to the reasons set out in (3), (5), (6) of the first paragraph of the Article 24.

Following shares being acquired by the Company pursuant to the provisions in Article 24, in the case of (1), the shares acquired shall be cancelled within 10 days of the acquisition. In the case of (2) and (4), the shares acquired shall be transferred or cancelled within six months. In case of (3), (5) and (6), the total number of shares of the Company held by the Company shall not exceed 10% of the total issued shares of the Company and shall be transferred or cancelled within 3 years.

The Company may acquire its own H Shares in accordance with the requirements of these Articles, and may choose to immediately cancel them or hold them as treasury shares in accordance with the Hong Kong Listing Rules. For treasury shares, the Company shall hold the treasury shares in a clearly identifiable separate account for treasury shares within the Central Clearing and Settlement System. The Company shall not exercise any right in respect of the treasury shares, and no dividend may be declared or paid in respect of a treasury share.

Upon the Company purchases its own shares, it shall fulfill its information disclosure obligations in accordance with applicable laws and regulations such as the Hong Kong Listing Rules as well as the regulatory requirements of the place(s) where the stocks of the Company are listed.

TRANSFER OF SHARES

The shares of the Company shall be transferable in accordance with laws. All transfers of H Shares shall be effected by an instrument of transfer in writing in the usual or common form or in any other form acceptable to the Board (including the standard form of transfer or transfer form prescribed by the Hong Kong Stock Exchange from time to time); the instrument of transfer may be executed by hand only or (where the transferor or transferee is a corporation) by an effective company seal. If the transferor or transferee is a recognized clearing agency (hereinafter referred to as the "Recognized Clearing House") as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or its nominees, the transfer form may be executed by hand or by machine imprint. All instruments of transfer shall be kept at the legal address of the Company or at such address as the Board may from time to time designate.

The Company refuses its own shares as the subject matter of pledge right.

Shares of the Company issued prior to the public issue of shares may not be transferred within one year from the date of the Company's shares are listed and traded on the stock exchange. If laws, administrative regulations or securities regulatory and administration institutions under the State Council or securities regulatory and administration institutions in Hong Kong has other requirements on the transfer of shares of the Company held by the shareholders or de-factor controller of the Company, such requirements shall prevail.

The directors and senior management of the Company shall report to the Company the shares held by them in the Company and their respective changes, and the shares transferred each year by them during their terms of office determined at the time of his/her assumption of office shall not exceed 25% of their total shares in the Company. The aforesaid persons shall not transfer the shares of the Company held by them for the period of six months after the termination of their offices. Where Hong Kong securities regulatory and administration institutions have otherwise provided for the restrictions on the transfer of shares, such requirements shall prevail.

If a director, senior management or shareholder holding not less than 5% of the shares of the Company sells the shares or other securities with an equity nature of the Company within six months after buying them, or buys them within six months after selling them, all the gains arising thereof shall belong to the Company, and such gains shall be collected by the Board of the Company. However, exceptions shall be made for any holding not less than 5% of the shares of the Company by any securities company as a result of its purchase of remaining shares sold under an underwriting obligation and other circumstances as prescribed by relevant laws and regulations, the China Securities Regulatory Commission or the regulatory and administration institutions of the place where the stocks are listed.

Shares or other securities in the nature of equity held by directors, senior management and shareholders of natural persons holding over 5% of the shares of the Company referred to in the preceding paragraph include those held by their spouses, parents and children and those held using the accounts of others.

If the Board of the Company fails to comply with the requirements in the preceding paragraph, a shareholder shall have the right to request the Board to comply with the same within 30 days. If the Board of the Company fails to do so within the said time period, a shareholder shall have the right to initiate proceedings in the People's Court directly in his/her own name for the interests of the Company. If the Board of the Company fails to comply with the requirements in accordance with the first paragraph, the responsible director(s) shall assume joint and several liability in accordance with the law.

If the aforesaid transfer limitation involves H Shares, relevant requirements of Hong Kong regulatory and administration institutions shall be complied with.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

The Company shall maintain a register of shareholders with the evidence provided by the securities registration institution, and the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company. The original register of shareholders of H shares shall be kept in Hong Kong. The appointed overseas agent(s) shall ensure consistency between the original version and the duplicate register of holders of overseas listed shares at all times. The branch register of shareholders in Hong Kong must be available for inspection by shareholders. However, the Company may suspend registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place(s) where the stocks of the Company are listed. A shareholder shall enjoy rights and assume obligations according to the class of shares held by him/her; shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations.

The application for the issue of replacement certificates by holders of H shares who lost their share certificates shall be made in accordance with the laws, stock exchange regulations or other relevant regulations of the place where the original version of the register of members of such overseas listed shares is kept.

As far as joint shareholders of any shares are concerned, only the joint shareholder whose name appears first in the register of shareholders has the right to receive the share certificates of the relevant shares from the Company or to receive notices of the Company, and any notice served on such a shareholder shall be deemed as having been served on all the other joint shareholders of those shares. Any joint shareholder may sign the proxy form, provided that if more than one joint shareholder attend the meeting in person or by proxy, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholder(s), and for this purpose, seniority will be determined by the order in which the names stand in the register of shareholders of the Company in respect of the joint shareholding.

The shareholders of the Company shall be entitled to the following rights:

(1) to receive distribution of dividends and other forms of benefits in proportion to the number of shares held;

(2) to legally require, convene, preside over, participate in or appoint a shareholder proxy to participate in the general meeting and exercise corresponding right to speak and voting right (except for situations where voting rights are required to be waived on relevant matters in accordance with the securities regulatory rules of the place where the stocks of the Company are listed);

(3) to supervise the operation of the Company, and to put forward proposals or raise enquiries;

(4) to transfer, give as a gift or pledge the shares held in accordance with laws, administrative regulations and these Articles;

(5) to inspect and replicate these Articles, register of shareholders, minutes of general meetings, resolutions of the Board meetings, financial and accounting reports, and accounting books and accounting evidences of the Company which could be inspected by shareholders in compliance with requirements;

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to the number of shares held;

(7) with respect to shareholders who voted against any resolution adopted at any general meetings on the merger or division of the Company, to request the Company to buy back the shares held by them;

(8) other rights as stipulated by laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place where the stocks of the Company are listed or these Articles.

Where shareholders request for inspection and replication of relevant materials of the Company, they shall comply with laws, administrative regulations and the securities regulatory rules of the place where the stocks of the Company are listed, such as the Company Law and the Securities Law. Where shareholders request for inspection of the relevant information or demand for materials as mentioned in the previous Article, they shall provide the Company with written documents evidencing the class and number of shares of the Company held by them. Upon verification of the shareholder's identity, the Company shall provide information requested by such shareholder.

The Company shall establish effective channels for communication with shareholders and set up designated departments and personnel to be responsible for contacting shareholders, receiving visits, disclosing information and answering inquiries, so as to ensure that shareholders have the rights to know and participate in major corporate matters in accordance with laws, administrative regulations, securities regulatory rules of the place where the stocks of the Company are listed and these Articles.

Where the contents of a resolution of the general meeting or the meeting of the Board of the Company violates laws or administrative regulations, the shareholders shall be entitled to request the People's Court to hold it invalid.

If the convening procedure or voting method of a general meeting or Board meeting violates laws, administrative regulations or these Articles, or if the contents of a resolution violates these Articles, the shareholders shall be entitled to request the People's Court to revoke the resolution within 60 days from the date it was made, except for those with only minor defects in the convening procedure or voting method of a general meeting or Board meeting and without material impact on resolutions.

A resolution of the general meeting or of the Board shall be deemed invalid under any of the following circumstances:

(1) the resolution was made without convening a general meeting or a Board meeting;

(2) the general meeting or Board meeting did not vote on the resolution matters;

(3) the number of attendees or the voting rights held did not meet the respective requirements as stipulated by the Company Law or these Articles;

(4) the number of voters or votes in favour of the resolution matters did not meet the respective requirements as stipulated by the Company Law or these Articles.

In the event that violation of laws, administrative regulations or the provisions of these Articles by a director or a senior management in performing his/her duties results in losses to the Company, the shareholders that solely or collectively hold more than 1% shares of the Company for a continuous period of more than 180 days shall have the right to make a written request to the audit committee to institute a litigation in the People's Court. In the event that violation of laws, administrative regulations or the provisions of these Articles by the members of the audit committee in performing their duties results in losses to the Company, the aforesaid shareholders shall have the right to make a written request to the Board to institute a litigation in the People's Court.

In the event violation of the requirements of laws, administrative regulations or these Articles by a director or a senior management which impairs the interests of shareholders, the shareholders could institute a litigation in the People's Court.

The shareholders of the Company shall assume the following obligations:

(1) comply with laws, administrative regulations and these Articles;

(2) pay subscription monies for the shares subscribed in accordance with the subscribed shares and the agreed manner of payment;

(3) no withdrawal of its capital except for the circumstances set out in the relevant laws and regulations;

(4) no abuse of shareholders' rights to impair the interests of the Company or other shareholders; no abuse of the independent legal person status of the Company and the limited liability of shareholders to damage the interests of the creditors of the Company;

(5) Other obligations that should be assumed under laws, administrative regulations, departmental rules, regulatory documents, regulatory rules of the place(s) where the stocks of the Company are listed, and these Articles.

If any shareholder of the Company abuses the shareholders' rights and causes a loss to the Company or other shareholders, he/she shall be liable for the compensation. If any shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and severely impairs the interests of the creditors of the Company, he/she shall bear joint liability for the debts of the Company.

Where a shareholder holding more than 5% of the Company's shares with voting rights pledges any shares in his/her possession, such shareholder shall submit a written report to the Company from the date of such occurrence.

The Company shall not provide funds, goods, services or other assets to shareholders and de-facto controller(s) gratuitously; shall not provide funds, goods, services or other assets to shareholders or de-facto controller(s) on obviously unfair terms; shall not provide funds, goods, services or other assets to shareholders or de-facto controller(s) that are obviously insolvent; shall not provide guarantees for shareholders or de-facto controller(s) that are obviously insolvent, or provide guarantees for shareholders or de-facto controller(s) without legitimate cause; shall not give up its claims on its shareholders or de-facto controller(s) or assume the debts of a shareholder or de-facto controller(s) without legitimate cause. Transactions of the provision of funds, goods, services or other assets between the Company and its shareholders or de-facto controller(s) shall perform the procedures for consideration of relevant connected transactions by the Board and the general meeting in strict compliance with the decision-making system for connected transactions, and related directors and shareholders shall abstain from voting.

The controlling shareholders and de-facto controller(s) of the Company shall not impair the interests of the Company by taking advantage of their connected relationship. They shall be liable for indemnifying the Company for the losses arising therefrom in case of violation of such requirement. The controlling shareholders and de-facto controller(s) of the Company shall bear the fiduciary duty to the Company and other shareholders. The controlling shareholders shall exercise the rights of the investors in strict accordance with the law. The controlling shareholders shall not damage the legitimate rights and interests of the Company and the other shareholders by means of profit distribution, asset restructuring, outbound investment and capital occupation, loan guarantee, etc., and shall not damage the interests of the Company and other shareholders by means of its controlling position.

General Provisions of General Meetings

The general meeting is the source of authority of the Company and shall exercise the following functions and power:

(1) to elect and replace directors, and to decide on matters relating to their remuneration;

(2) to consider and approve the reports of the Board;

(3) to consider and approve the profit distribution plans and the loss recovery plans of the Company;

(4) to make resolutions on the increase or reduction of the Company's registered capital and the issuance of any types of stocks, warrants and other similar securities;

(5) to make resolutions on the issuance of corporate bonds;

(6) to make resolutions on the merger, demerger, dissolution, liquidation or change of corporate form of the Company;

(7) to amend these Articles;

(8) to make resolutions on the matter of the appointment and dismissal of accounting firms of the Company, which perform the audit of the Company;

(9) to consider and approve matters of guarantee as prescribed in Article 42 of these Articles;

(10) to consider the purchase or sale of material assets or guarantee matters of the Company amounting to more than 30% of the latest audited total assets of the Company within one year;

(11) to consider and approve the connected transactions which are required to be considered by the general meeting by the requirements of the Hong Kong Listing Rules;

(12) to consider equity incentive plans and employee stock ownership plans;

(13) to consider and approve changes to the use of proceeds;

(14) to consider other matters required to be resolved by the general meeting by laws, administrative regulations, departmental rules, regulatory documents, these Articles or the Hong Kong Listing Rules. The general meeting of the Company could authorize the Board to issue stocks and corporate bonds, and the specific implementation thereof shall comply with the requirements of laws, administrative regulations, the China Securities Regulatory Commission, securities regulatory and administration institutions of Hong Kong and the stock exchange of the place where the stocks of the Company are listed.

In the event of any inconsistency between the preceding provision on the matters to be resolved by the general meeting and the provisions of the listing rules of the stock exchange where the stocks of the Company are listed, the provisions of the listing rules of the stock exchange where the stocks of the Company are listed shall prevail.

The following external guarantees by the Company shall be considered and approved by a general meeting:

(1) any single guarantee for an amount more than 10% of the Company's latest audited net assets;

(2) any external guarantee to be provided by the Company and subsidiaries under its control, the amount of which has exceeded 50% of the Company's latest audited net asset;

(3) any guarantee to be provided for a party whose gearing ratio exceeds 70%;

(4) any external guarantee to be provided by the Company, the total amount of which has reached or exceeded 30% of the latest audited total assets;

(5) any guarantee to be provided by the Company in a single year, the total amount of which has exceeded 30% of the Company's latest audited total assets;

(6) any guarantee to be provided to a shareholder, a de facto controller or its related party(ies);

(7) other guarantees that meet the requirements of the Hong Kong Listing Rules or the Articles of Association.

In case of inconsistencies between the external guarantee resolved by the general meeting as prescribed in the preceding and the requirements of the listing rules of the stock exchange of the place where the stocks of the Company are listed, the requirements of the listing rules of the stock exchange of the place where the stocks of the Company are listed shall prevail.

General meetings include annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year, and held within 6 months after the end of the previous accounting year.

The Company shall convene an extraordinary general meeting within 2 months of the occurrence of any one of the following events:

(1) when the number of directors is less than the minimum number required by the Company Law or two-thirds of the number specified in these Articles;

(2) when the unrecovered loss of the Company amounts to one-third of the total amount of its share capital;

(3) when requested by shareholders, individually or jointly, holding more than 10% of total issued shares of the Company (excluding treasury shares of the Company);

(4) when deemed necessary by the Board;

(5) when proposed by the audit committee;

(6) other circumstances as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles.

If the extraordinary general meeting is convened in accordance with the requirements of the securities regulatory rules of the place where the stocks of the Company are listed, the actual date of convening the extraordinary general meeting could be adjusted based on the progress of clearance by the stock exchange of the place where the stocks of the Company are listed, if applicable.

Convening of General Meetings

Unless otherwise specified in these Articles, general meetings shall be convened by the Board. Independent non-executive directors have the right to propose to the Board to convene an extraordinary general meeting with the approval from more than one-half of the independent non-executive directors. For proposal on convening an extraordinary general meeting by independent non-executive directors, the Board shall, in accordance with provisions of the laws, administrative regulations and these Articles, issue written feedback on whether to convene the extraordinary general meeting within 10 days upon the receipt of such proposal. If the Board agrees to convene the extraordinary general meeting, it will issue a notice of convening the general meeting within 5 days after the resolution is passed by the Board. If the Board does not agree to convene an extraordinary general meeting, it shall explain the reasons and make a public announcement thereof. In case otherwise required by the securities supervision institutions of Hong Kong, it shall prevail.

The audit committee has the right to propose to the Board to convene an extraordinary general meeting, and it shall put forward its proposal to the Board in writing. The Board shall, pursuant to laws, administrative regulations and these Articles, furnish a written reply on whether or not to convene the extraordinary general meeting within 10 days after receiving such proposal. If the Board agrees to convene the extraordinary general meeting, it shall issue a notice of the general meeting within 5 days after the resolution is passed by the Board. In the event of any change to the original proposal set forth in the notice, the consent of the audit committee shall be obtained. If the Board does not agree to convene the extraordinary general meeting or fails to furnish a written reply within 10 days after receiving such proposal, the Board shall be deemed to be unable or fail to perform the duty of convening the general meeting, and the audit committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold more than 10% of the total issued shares of the Company (excluding treasury shares of the Company) shall have the right to request the Board to convene an extraordinary general meeting, and shall submit such request in writing to the Board. The Board shall, in accordance with laws, administrative regulations and these Articles, give a written reply on whether to convene an extraordinary general meeting or not within 10 days upon receipt of the proposal. If the Board agrees to convene the extraordinary general meeting, it shall issue a notice of the general meeting within 5 days after the resolution is passed by the Board. In the event of any change to the original proposal set forth in the notice, the consent of shareholders who make the said proposal shall be obtained. If the Board does not agree to convene the extraordinary general meeting or fails to make a response within 10 days upon receipt of the request, shareholders individually or jointly holding 10% or more of the total issued shares of the Company (excluding treasury shares of the Company) shall have the right to propose to the Audit Committee to convene an extraordinary general meeting, and shall submit the request to the Audit Committee in writing. If the Audit Committee agrees to convene an extraordinary general meeting, a notice of such general meeting shall be issued within 5 days after the receipt of the request. Changes made to the original proposal in the notice shall be consented by the relevant shareholder(s).

Where the audit committee or the shareholder(s) decide to convene a general meeting on its or their own, corresponding actions shall be taken in accordance with the requirements and regulations of the listing supervision rules of Hong Kong. Before the announcement of the resolutions of the general meeting is made, the shareholding of the convening shareholder(s) shall not be less than 10%. The audit committee or convening shareholders shall, when issuing the notice of general meetings and announcements of the resolutions of general meetings, take the corresponding actions in accordance with the requirements and regulations of the listing supervision requirements of Hong Kong.

Where the audit committee or the shareholder(s) convene a general meeting on its or their own, the Board and the secretary of the Board shall cooperate and provide necessary support. For general meetings convened by the audit committee or shareholders on his/her/their own, any necessary expenses for the meeting shall be borne by the Company.

Proposal and Notice of the General Meeting

The contents of the proposals shall fall within the scope of power of the general meeting. The subject issues for discussion and the specific matters to be resolved shall be clearly stated therein. The proposals shall comply with the relevant requirements of the laws, administrative regulations, the Hong Kong Listing Rules and these Articles.

When the Company convenes a general meeting, the Board, the audit committee and shareholder(s) individually or jointly holding more than 1% of the Company's shares have the right to submit proposals to the Company.

Shareholder(s) individually or jointly holding more than 1% of the shares of the Company may submit their provisional proposals in writing to the convener within the period as required by the Hong Kong Listing Rules before the convening of the general meeting. The convener shall, in accordance with the Hong Kong Listing Rules, issue a supplementary notice of the general meeting after receiving the proposal, announce the contents of the provisional proposal, and submit the provisional proposal to the general meeting for consideration. However, this does not apply if the provisional proposal violates the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the stocks of the Company are listed, or these Articles, or if it is not within the scope of the general meeting's authority.

Except for the circumstances prescribed in the preceding paragraph, the convener shall not amend the proposals stated in the notice of the general meeting or add new proposals upon the issuance of the notice of the general meeting. Proposals not set out in the notice of the general meeting or not complying with the provisions of the preceding article shall not be voted on or resolved at the general meeting.

The convener shall notify each shareholder in writing (including by announcement) at least 21 days before the annual general meeting, and at least 15 days before the extraordinary general meeting.

Notice of the general meeting shall contain:

(1) the time, place, duration of the meeting and the format of the meeting (i.e., on-site, online or a combination of on-site and online);

(2) matters and proposals submitted for consideration at the meeting and an indication of whether each resolution is an ordinary resolution or a special resolution;

(3) an express statement that all shareholder are entitled to attend the general meeting, and to appoint proxy(ies) in writing to attend and vote on his/her/its behalf at the meeting, and that a proxy need not be a shareholder of the Company;

(4) the record date on which the shareholders are entitled to attend the general meeting;

(5) the name and telephone number of permanent contact persons for the affairs of the meeting;

(6) the voting time and procedures via internet or through other means.

(7) other matters stipulated by laws, administrative regulations, regulatory documents and the Hong Kong Listing Rules.

Full and complete disclosure of the particulars of all proposals and all information or explanations necessary to enable shareholders to make reasonable judgements on the matters to be discussed shall be made in the notice of a general meeting and supplementary notice. If the matters to be discussed require the opinion of the independent non-executive directors, such opinion and the reasons therefor shall be disclosed at the same time when the notice of the general meeting or supplementary notice is issued.

Convening of the General Meeting

All shareholders registered on the record date or their proxies are entitled to attend the general meeting and exercise their voting rights in accordance with relevant laws, regulations and these Articles. Shareholders may attend the general meeting in person or authorize proxies to attend and vote on their behalf.

An individual shareholder that attends the meeting in person should produce his/her own identity card or other valid documents or certificates that can prove his/her identity; a proxy who attends the meeting upon entrustment by a shareholder should produce his/her own valid identity card and the power of attorney issued by the shareholder.

Shareholders that are legal persons or institutions should assign their legal representative (principal)/executive partner or a proxy authorized by the legal representative (principal)/executive partner to attend meetings. Where the legal representative (principal)/executive partner attends the meeting, he/she shall produce his/her own identity card, valid certificates evidencing his/her capacity as the legal representative (principal)/executive partner. Where a proxy is appointed to attend the meeting, he/she shall produce his/her own identity card, the written power of attorney issued by the legal representative (principal)/executive partner of the corporate or institutional shareholder according to law.

Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one or several persons (who may not be shareholders) to act as his proxy(ies) to attend and vote at the meeting on his behalf. A proxy so appointed shall be entitled to exercise the following rights in accordance with the authorization from that shareholder:

(1) such shareholder's right to speak at the general meeting;

(2) the right to demand a poll alone or jointly with others;

(3) unless otherwise required by relevant laws, regulations and regulatory documents as well as the securities regulatory and administration authorities in Hong Kong and the Hong Kong Listing Rules, the rights to vote can be exercised by showing hands or by poll except under the circumstances that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights by way of poll.

The power of attorney issued by a shareholder to entrust another person to attend a general meeting shall specify the following contents:

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

(2) the name of the proxy;

(3) specific instructions of the shareholder, including instructions to vote in favor of, against, or abstain from each item on the agenda of the general meeting;

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

(5) The signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate entity shall be affixed.

(6) other matters specified by the listing regulatory rules of the place where the stocks of the Company are listed.

The power of attorney shall indicate whether the shareholder proxy can vote according to his/her own opinions if the shareholder does not make specific instructions.

If the shareholder is a recognized clearing house or its nominee(s) as defined in the Securities and Futures Ordinance or relevant ordinances of Hong Kong law in force from time to time, the said shareholder may authorize one or more persons as he/she deems appropriate to act on his/her behalf at any general meeting; however, where more than one person are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons. A person so authorized may represent the recognized clearing house (or its nominee) (there is no need for such person to produce share certificates or notarized authorization and/or further evidence to prove that he/she has been duly authorized) as if such person was an individual shareholder of the Company, who shall enjoy legal rights equivalent to those of other shareholders, including the rights to speak and vote.

A shareholder's meeting shall be presided over by the chairperson of the Board. If the chairperson is unable to or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by more than half of the directors. A general meeting convened by the audit committee itself shall be presided over by the convener of the audit committee. If the convener of the audit committee is unable or fails to perform his/her duties, the meeting shall be presided over by an audit committee member jointly elected by more than half of the audit committee members. The general meeting convened by shareholder(s) itself/themselves shall be presided over by a representative nominated by the convener. If the chairperson of a general meeting violates the rules of procedure and renders the meeting unable to continue, the general meeting may, with the consent of shareholders holding a majority of the voting rights present at the meeting, elect one person to serve as the chairperson and continue the meeting.

The Company shall formulate the rules of procedure for the general meeting to provide details for the convening and voting procedures, including notice, registration, consideration of proposals, voting, vote counting, announcement of the voting results, formation of meeting resolutions, minutes and signing, and announcement, as well as the principles of the authorization of the Board by the general meeting (where the contents of authorization shall be explicit and specific). The rules of procedure of the general meeting shall be annexed to the Articles of Association and shall be prepared by the Board and approved by the general meeting.

Voting and Resolutions of General Meetings

Resolutions of the general meeting shall be divided into ordinary resolutions and special resolutions. An ordinary resolution of the general meeting shall be passed by a majority of the voting rights represented by the shareholders (including proxies) present at the meeting. Special resolutions made on a general meeting must be passed by more than two-thirds of the voting rights held by shareholders (including shareholders' proxies) present at the general meeting.

The following matters shall be resolved by way of special resolutions at a general meeting:

(1) increase or reduction in the registered capital of the Company, and issuance of any class of shares, warrants or other similar securities;

(2) issuance of corporate bonds;

(3) the Company's spin-off, merger, division, dissolution and liquidation;

(4) amendments to these Articles;

(5) any purchase or disposal of substantial assets made or guarantee provided by the Company within one year, the amount of which exceeds 30% of the latest audited total assets of the Company;

(6) Any guarantee provided after the total amount of external guarantees of the Company has reached or exceeded 30% of the latest audited total assets;

(7) share incentive plan;

(8) changes in the form of the Company;

(9) other matters stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the stocks of the Company's shares or these Articles, as well as other matters that the general meeting determines by an ordinary resolution will have a significant impact on the Company and need to be passed by a special resolution.

The following matters shall be resolved by way of ordinary resolutions at a general meeting:

(1) work report of the Board;

(2) profit distribution plans and loss recovery plans drafted by the Board;

(3) election and change of directors, and decision on matters relating to the remuneration of directors;

(4) the annual report of the Company;

(5) appointment and remuneration of accounting firms, and the methods for determination of their remuneration;

(6) other matters, except those required to be adopted by way of a special resolution as required by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the stocks of the Company are listed or these Articles.

Shareholders (including proxies) shall exercise their voting rights by the number of voting s hares they represent, and each Share shall have one vote. On a poll taken at a meeting, shareholders (including proxies) entitled to two or more votes need not cast all of their votes in favor of, or against. The shares of the Company held by it carry no voting rights and such part of shares shall not be counted into the total number of shares carrying voting rights at the general meeting.

Under the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on any particular matter or restricted to voting only for or only against any particular matter, the shareholder shall abstain from voting, and the votes cast by or on behalf of such shareholders in contravention of such requirements or restrictions shall not be counted.

When the general meeting considers significant matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be publicly disclosed in a timely manner in accordance with the requirements of relevant laws and regulations and the Hong Kong Listing Rules.

If a shareholder purchases voting shares of the Company in violation of clauses 1 and 2 of Article 63 of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised within 36 months after the purchase and shall not be counted in the total number of voting shares present at the general meeting.

The Board, independent non-executive directors and shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the China Securities Regulatory Commission may publicly solicit shareholders' voting rights. When soliciting voting rights from shareholders, the specific voting intention and other information shall be fully disclosed to the solicitation targets. It is prohibited to publicly solicit shareholders' rights by means of compensation or compensation in disguised form. The Company may not impose any minimum shareholding requirement for the solicitation of voting rights, except for statutory conditions.

When relevant connected transaction is considered at a general meeting, connected shareholders and their close associate(s) (as defined under the Hong Kong Listing Rules) shall not vote, and the voting shares held by them shall not be counted in the total number of shares with voting rights. The resolutions of the general meeting shall state the voting of non-connected shareholders.

The list of candidates for directors shall be submitted to the general meeting for voting in the form of a proposal. When the general meeting votes on the election of two or more directors, the cumulative voting system shall be implemented; if the general meeting elects directors by cumulative voting, the voting for independent non-executive directors and other directors shall be conducted separately. The aforementioned cumulative voting system refers to the election of directors by the general meeting, where each share has the same voting rights as the number of directors to be elected, and the voting rights held by shareholders can be used cumulatively. The elected directors shall be determined in order of the highest votes received, according to the number of directors to be elected.

Except for the cumulative voting system, the general meeting will vote on all proposals one by one, and if there are different proposals on the same matter, the proposals will be voted on in the order in which they were submitted. Unless the general meeting is adjourned or no resolution can be made due to special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.

A physical general meeting shall not end earlier than the one held via internet or by other means. The chairperson of the meeting shall announce details and voting results on each proposal, and whether a proposed resolution has been passed according to such voting results. Prior to the formal announcement of voting results, the Company, vote counters, vote scrutineers, major shareholders, network services providers and other related parties involved at the physical general meeting, via internet or by other means, shall have an obligation to keep confidential details of the voting.

Shareholders attending the general meeting shall express one of the following opinions on the proposal submitted for voting: affirmative, negative or abstention, save for the circumstance under which the securities registration and clearing institution, acting as the nominal holder of shares under the Mainland China and Hong Kong Stock Connect scheme, make reporting in accordance with the instruction of the de-facto holders of relevant Shares. Blank, incorrect, illegible ballots and uncast ballots shall be deemed as a waiver of the voting rights of the voters, and the voting result of the number of shares held by the voters shall be counted as "abstain". Where any shareholder is, under the Hong Kong Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only in favor of (or against) any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

BOARD

Director(s)

Directors of the Company may include executive directors, non-executive directors and independent non-executive directors. Non-executive directors refer to directors who do not hold operational and management positions in the Company, and independent non-executive directors refer to persons who meet the provisions of Article 98 of these Articles. Directors of the Company shall be natural persons. A person who falls into any of the following circumstances shall not serve as a director:

(1) a person without civic capacity or with restricted civic capacity;

(2) a person who has been sentenced to criminal punishment due to corruption, bribery, infringement of property, misappropriation of property or destruction of the socialist market economic order, where less than 5 years have elapsed since the date of completion of the sentence; or a person who has been deprived of his political rights due to a crime, where less than 5 years have elapsed since the date of completion of the sentence; in the case of a suspended sentence, less than 2 years have elapsed since the expiration of the probation period;

(3) a person who was a director, factory manager or general manager of a company or enterprise which was declared bankrupt and was liquidated and who was personally liable for the bankruptcy of such a company or enterprise, where less than 3 years have elapsed since the date of completion of the bankruptcy and liquidation of such company or enterprise;

(4) a person who was the legal representative of a company or enterprise whose business license was revoked and which was ordered to close, and was held personally liable thereto, where less than 3 years have lapsed since the date of revocation of the business license and the closure of business of such company or enterprise;

(5) a person who has a relatively large amount of debts due and outstanding and is listed as a dishonest person subject to enforcement;

(6) a person who is currently being prohibited from participating in the securities market by the China Securities Regulatory Commission, and the period of which has not yet expired;

(7) a person who has been subject to administrative penalty of the China Securities Regulatory Commission in the past three years;

(8) a person who has been publicly reprimanded by a stock exchange or criticized for more than three times in the past three years;

(9) a person who is publicly deemed unsuitable to serve as a director of a company by the stock exchange;

(10) unable to ensure that he/she will devote adequate time and energy to corporate affairs during his/her tenure to earnestly perform all his/her duties as a director;

(11) other contents stipulated by laws, administrative regulations, departmental rules or the securities regulatory rules of the place where the stocks of the Company are listed.

Any election, designation or appointment of directors in violation of the foregoing provisions shall be void and null. Where any director falls under any of the circumstances as set out in this article during his or her term of office, the Company shall remove him or her from the office.

The directors shall be elected or replaced at a general meeting, and any director (including executive directors) may be removed from office prior to the expiry of their tenure by way of an ordinary resolution passed at a general meeting. Such removal shall not prejudice the director's claim for damages under any contract. Directors have a term of office of three years. Upon expiration of the term, the director may be re-elected in accordance with the provisions of the securities regulatory rules of the place where the stocks of the Company are listed, but the term of office of independent non-executive directors shall not exceed nine years. Before the expiration of the tenure of office, the general meeting cannot terminate the post of the director without justifiable reasons.

The term of office of each director shall commence as of his assumption of office until the expiration of the current Board. Where a re-election fails to be carried out in a timely manner upon the expiry of the term of office of a director, the said director shall continue to perform the duties as a director in accordance with the laws, administrative regulations, departmental rules and these Articles until the newly elected director assumes the office.

A director appointed by the Board to fill a causal vacancy or to increase the number of directors on the Board shall hold office for a term commencing from the date of appointment until the first annual general meeting following his/her appointment, and shall then be eligible for re-election.

The general manager or other senior management may serve concurrently as directors, provided that the total number of such directors who concurrently serve as the general manager or other senior management shall not exceed one half of the total number of the directors of the Company.

For a company that has three hundred or more employees, the Board shall include the staff representative.

The independent non-executive directors of the Company represent at least one-third of the Board. At least one of the independent non-executive directors of the Company has appropriate accounting or related financial management expertise. The independent non-executive directors must be independent and must not have relationships with the Company and its substantial shareholders that would interfere with their independent and objective judgment. Independent non-executive directors shall be equipped with adequate business or professional experience for competency, honestly fulfill their duties, and protect the interests of the Company, in particular the legitimate rights and interests of public shareholders, to ensure the sufficient representation of the interests of all shareholders. At least one independent non-executive director shall reside in Hong Kong on a regular basis.

The issues including conditions of appointment, nomination and election procedures, term of office, resignation, and functions and powers of the independent non-executive directors are implemented in accordance with the relevant provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the stocks of the Company are listed. Unless otherwise stipulated herein, the provisions of these Articles relating to the qualifications and duties of directors shall apply to independent non-executive directors. The matters related to the independent non-executive directors shall be implemented in accordance with the relevant provisions of laws, administrative regulations, relevant regulatory institutions and securities exchanges, and shall be specified by the working system of the independent non-executive directors of the Company.

General Provisions for the Board

The Company shall establish a Board, which is accountable to the general meeting. The Board consists of 7 directors, including 1 chairperson and 3 independent non-executive directors. The composition and number of members of the Board shall comply with the provisions of the securities regulatory rules of the place where the stocks of the Company are listed.

The Board shall exercise the following functions and powers:

(1) to convene general meetings and report its work to the general meeting;

(2) to implement the resolutions of general meetings;

(3) to decide on the Company's business plans and investment proposals;

(4) to decide the Company's plans on annual financial budgets and final accounts;

(5) to devise the profit distribution plans and loss recovery plans of the Company;

(6) to formulate plans for the Company for increase or reduction of registered capital, issuance of bonds or other securities, and listing;

(7) to formulate plans for major acquisitions, repurchases of the Company's shares, or merger, division, dissolution and change of the Company's form;

(8) to decide on matters such as the Company's external investment, acquisition and disposal of assets, asset mortgage, external guarantee, entrusted wealth management, connected transactions, external donations, etc., as required by the Hong Kong Listing Rules and other securities regulatory rules of the place where the stocks of the Company are listed, or within the scope of authority granted by the general meeting;

(9) to resolve on the establishment of internal management organizations of the Company;

(10) to appoint or dismiss the general manager of the Company, and to decide on matters of their remuneration, rewards and punishments; to appoint or dismiss other senior management of the Company, excluding the general manager, based on the nomination of the general manager, and to decide on matters of their remuneration, rewards and punishments;

(11) to formulate the Company's basic management system;

(12) to formulate the proposals for any amendment to these Articles;

(13) to manage the Company's information disclosure matters;

(14) to propose to the general meeting the appointment or replacement of the accounting firm that audits the Company;

(15) to listen to the work report of the general manager of the Company and to inspect the work of the general manager of the Company;

(16) to develop and review the policies and practices on corporate governance of the Company and make recommendations to the Board;

(17) to review and monitor the training and continuous professional development of the directors and senior management;

(18) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements

(19) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;

(20) to review the issuer's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report; and

(21) other functions and powers granted by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles.

Matters beyond the scope of authorization of the general meeting shall be submitted to the general meeting for consideration.

The chairperson shall be elected by a majority of all directors of the Board. The Chairperson shall exercise the following functions and powers:

(1) to preside over the general meeting and convene and preside over meetings of the Board;

(2) to supervise and inspect the implementation of the resolutions of the Board;

(3) other functions and powers stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the Articles of Association or as conferred by the Board.

Where the chairperson of the Board is unable or fails to perform his/her duties, the duties shall be performed by a director jointly nominated by more than half of the directors.

The Board shall hold at least four meetings each year, which shall be convened by the chairperson and shall notify all directors in writing 10 days prior to the meeting. Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors or the audit committee may propose the convening of an extraordinary Board meeting. The chairperson of the Board shall convene and preside over a Board meeting within 10 days after receipt of such proposal.

The Board meeting shall be held only when more than half of the directors are present. As for the voting on a Board resolution, each director shall have one vote. Resolutions made by the Board must be passed by more than half of all directors. If the votes against and in favor are equal, the vote from the chairperson of the Board will determine whether or not to pass the resolution.

The voting method for resolutions of the Board shall be written voting or voting by show of hands.

Directors shall attend the meetings of the Board in person. Where a director is unable to attend a meeting for any reason, he/she shall carefully select and appoint another director by a written power of attorney to attend the meeting on his/her behalf. An independent non-executive director may not appoint a person other than independent non-executive directors to attend the meeting on his/her behalf. The power of attorney shall set out the name of the proxy, the matters represented, the scope of authorization and the validity period, and shall be signed or sealed by the appointing director; if voting matters are involved, the appointing director shall clearly express his/her opinion on each matter of approval, opposition or abstention in the power of attorney. Directors shall not give or accept proxies without voting intention, proxies with full authorization or proxies with unclear scope of authorization. A director's responsibility for voting matters is not relieved by the presence of other directors by proxy. The appointed director who attends the meeting shall exercise the director's duties within the scope of authorization. If a director does not attend a Board meeting in person and does not appoint a proxy to attend the meeting, he or she shall be deemed to have waived the voting rights at the meeting.

Special Committees of the Board

The Board shall establish an audit committee, a nomination committee and a remuneration and appraisal committee, and may establish other special committees such as a strategy committee as needed. The special committees shall be accountable to the Board and perform their duties in accordance with the Articles of Association and the authorization by the Board. The proposals of the special committees shall be submitted to the Board for consideration and decision. The audit committee shall exercise the functions and powers of the board of supervisors as stipulated in the Company Law.

Members of the special committee are all comprised of the directors. The committee shall have an odd number of members, which shall not be less than three. In particular, the audit committee shall be comprised of at least three members, all of whom shall be non-executive directors, and more than half of the members shall not hold any other positions in the Company other than as directors, and shall not have any relationship with the Company that may affect their independent objective judgment, and at least one of the members shall be an independent non-executive director with appropriate professional qualifications required by the Hong Kong Listing Rules, or have appropriate accounting or related expertise in financial management, and such independent non-executive director shall serve as the chairperson. The chairpersons of each special committee shall be appointed and dismissed by the Board. The independent non-executive directors shall account for more than one-half of the nomination committee and the remuneration committee, and the convener shall be the chairperson of the committee, who shall be an independent non-executive director.

The Board is responsible for formulating the rules of procedure of the special committees, stipulating the composition, functions and powers, and procedures of the special committee, and regulating the operation of the special committees.

General Manager and Other Senior Management

The Company shall have one general manager and certain deputy general managers. The general manager, deputy general managers, secretary to the Board, and chief financial officer are senior management of the Company. The financial controller is the person in charge of the Company's finances. The senior management of the Company shall be appointed or dismissed by the Board.

The provisions of the Articles of Association regarding the circumstances under which a person may not serve as a director shall also apply to senior management. The provisions of the Articles of Association regarding the fiduciary duties and duties of diligence of directors shall also apply to senior management.

A person who holds an office other than director in the entity of the controlling shareholder or the de-facto controller of the Company shall not serve as a senior management of the Company.

The term of office for the senior management of the Company shall be three years per session, and the senior management of the Company shall be eligible for re-appointment upon re-engagement.

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

(1) to be in charge of the production, operation and management of the Company, organize the implementation of the resolutions of the Board, and report to the Board on work;

(2) to organize the implementation of the Company's annual business plans and investment plans;

(3) to formulate plans for the establishment of the Company's internal management bodies and branches;

(4) to draft the Company's basic management system;

(5) to formulate and organize the implementation of the specific rules of the Company;

(6) to propose to the Board the appointment or dismissal of other senior management of the Company;

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

(8) to decide on the engagement and dismissal of the Company's employees;

(9) such other functions and powers conferred by these Articles and the Board.

The general manager shall be present at the Board meeting.

The Company shall have a secretary to the Board, responsible for the preparation of the Company's general meetings and Board meetings, document custody, and the management of the Company's shareholder information, as well as handling information disclosure and other matters. The secretary of the Board shall comply with relevant provisions of laws, administrative regulations, departmental rules and these Articles.

If a senior management breaches the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles when performing his or her duties and causes loss to the Company, he or she shall be held responsible for damages. The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the senior management of the Company fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the law.

FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

Financial and Accounting Systems

The Company shall formulate its financial and accounting system in accordance with laws, administrative regulations and the regulations of the competent national authorities. Where the Hong Kong Listing Rules or the securities regulatory authorities of the place where the stocks of the Company are listed stipulate otherwise, such stipulations shall prevail.

The Company shall prepare a financial and accounting report at the end of each accounting year, which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

The Company shall submit, disclose and/or present to shareholders annual reports, interim reports, preliminary results announcements and other documents in accordance with the provisions of laws, administrative regulations, the regulations of the China Securities Regulatory Commission, the Hong Kong Listing Rules and the securities regulatory rules of the place where the stocks of the Company are listed.

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

Profit distribution

When distributing each year's after-tax profits, the Company shall set aside 10% of its profits into its statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, no further withdrawals may be made. If the statutory reserve fund of the Company is insufficient to make up for the losses of the previous years, the current year profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the preceding paragraph. After the Company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the general meeting.

After the Company covers its losses and makes allocations to its reserve, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders, except for those which are not distributed in a proportionate manner as provided by these Articles. If the general meeting has, in violation of the aforementioned provisions, distributed profit to shareholders before the Company has covered the losses and allocated to statutory surplus reserve, the shareholders shall return to the Company the profit distributed in violation of regulations; and the shareholders and responsible directors and senior management shall be liable for the compensation for losses caused to the Company. The Company's shares held by the Company shall not participate in the distribution of profits.

The fundamental principles of the profit distribution policy of the Company: profit distribution by the Company shall emphasize a reasonable return on investment for investors. The profit distribution policy shall strive to maintain continuity and stability while taking into account the long-term interests of the Company, the overall interests of all Shareholders, and the sustainable development of the Company.

When the Company pays dividends and other payments to shareholders other than H shareholders, it shall be denominated and declared in RMB and paid in RMB. When the Company pays dividends and other payments to H Shareholders, it shall be denominated and declared in RMB and paid in Hong Kong dollars. The Company shall pay dividends and other amounts to holders of H shares in accordance with the relevant state regulations on foreign exchange administration.

Internal Audit System

The Company shall implement the internal audit system equipped with full-time auditing staff, who conduct internal audit and supervision regarding the Company's financial income and expenses, and economic activities.

The Company's internal audit system and the responsibilities of the auditors shall be carried out after obtaining approval of the Board. The officer in charge of internal audit shall be accountable to and report his/her work to the Board.

Appointment of Accounting Firm

The Company shall appoint an accounting firm that complies with the provisions of laws and regulations and the Hong Kong Listing Rules to conduct audits of accounting statements, verification of net assets, and other related consulting services, etc., with a term of one year, which is renewable.

The engagement or dismissal of an accounting firm responsible for the Company's audit shall be determined by the general meeting.

The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information without any refusal, withholding and misrepresentation.

The audit fees of the accounting firm shall be determined by the general meeting.

When the Company dismisses or does not renew the engagement of an accounting firm, it shall give 30 days' advance notice to the accounting firm, and the accounting firm shall be allowed to state its opinions when the Company's general meeting votes on the removal of the accounting firm.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Capital Reduction

The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company. When a company absorbs another company, it is merger by absorption, and the absorbed company shall be dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement, and prepare the balance sheet and property inventory. The Company shall notify its creditors within 10 days from the date of the merger resolution and shall publish an announcement in publicly circulated newspapers or the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days from the date of receipt of the notice or, if he/she/it did not receive a notice, within 45 days from the date of the announcement, require the Company to pay its debt to him in full or to provide commensurate security. At the time of merger, the claims and debts of the merger parties shall be succeeded by the company which subsists after the merger or the newly-established company.

Where there is a division of the Company, its property shall be divided accordingly. For division of the Company, the Company shall prepare a balance sheet and a property list. The Company shall notify its creditors within 10 days from the date of the resolution for division and shall publish an announcement within 30 days in publicly circulated newspapers or on the National Enterprise Credit Information Publicity System. The post-division companies shall be jointly and severally liable for the pre-division debts of the Company, unless otherwise provided in a written agreement reached by the Company and the creditors in respect of repayment of the debts prior to the division.

Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of property. The Company shall notify its creditors within 10 days from the date on which a resolution to reduce the registered capital is adopted by the general meeting, and shall publish an announcement in a publicly circulated newspaper or on the National Enterprise Credit Information Publicity System within 30 days. The creditors may require the Company to repay its debts or provide corresponding guarantee within 30 days from the date it receives the above notice or within 45 days from the date of announcement if no such notice is received. When the Company reduces its registered capital, it shall reduce its shares in proportion to the shares held by its shareholders, unless otherwise provided for by laws or these Articles. The registered capital of the Company after any reduction shall not be lower than the statutory minimum amount.

Where a merger or division of the Company involves a change in registered particulars, such change shall be registered with the company registry according to laws; where the Company is dissolved, it shall cancel its registration according to laws; where a new company is established, its establishment shall be registered according to laws.

If the Company increases or reduces its registered capital, the Company shall, in accordance with the laws, apply to the companies registration authority to modify its registration.

Dissolution and Liquidation

The Company may be dissolved for the following reasons:

(1) other causes for dissolution as stipulated in these Articles arise;

(2) dissolution has been resolved by the general meeting;

(3) dissolution is necessary due to a merger or division of the company;

(4) the business license is revoked, or it is ordered to close down or is dissolved in accordance with the law;

(5) when the Company encounters serious difficulties in its operation and management, and its continued existence would cause significant losses to shareholders' interests, and such difficulties cannot be resolved through other means, shareholders holding more than 10% of the total voting rights of the company may request the people's court to dissolve the Company.

If the Company encounters any of the dissolution causes specified in the preceding paragraph, it shall publicize the dissolution causes on the National Enterprise Credit Information Publicity System within ten days.

Upon the occurrence of the situation mentioned in (1) of the preceding article, the Company may continue to exist by amending these Articles. Amendments to these Articles pursuant to the preceding paragraph shall be subject to the approval of more than two-thirds of the voting rights held by the shareholders attending the general meeting.

Where the Company is dissolved pursuant to (1), (2), (4) or (5) above, a liquidation committee shall be established and the liquidation shall commence within 15 days after the occurrence of an event of dissolution. The liquidation committee shall comprise the directors, unless otherwise provided in these Articles or another person is appointed according to a resolution at a general meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations in a timely manner, and thus any loss is caused to the company or the creditors.

The liquidation committee shall exercise the following functions and powers during the period of liquidation:

(1) to check the Company's property and to prepare a balance sheet and a list of assets;

(2) to notify and announce to creditors;

(3) to deal with the outstanding businesses of the Company relating to liquidation;

(4) to pay off outstanding taxes as well as taxes arising in the course of liquidation;

(5) to settle claims and debts;

(6) to dispose of the remaining property of the Company after the settlement of debts;

(7) to represent the Company in civil proceedings.

The liquidation committee shall notify the creditors within 10 days of its establishment and make an announcement in publicly circulated newspapers or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement.

Creditors shall provide explanations and evidence for their claims upon their declarations of such claims. Claims shall be registered by the liquidation committee. During the period for declaration of claims, the liquidation committee shall not make any repayment to the creditors.

After the liquidation committee has thoroughly examined the Company's property and prepared a balance sheet and schedule of property, it shall formulate a liquidation plan and submit such plan to the general meeting or the People's Court for confirmation. The remaining property of the Company, after the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes and the Company's debts, shall be distributed to the shareholders in proportion to their shareholdings.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to liquidation. Before liquidation as specified in the preceding paragraphs, the property of the Company shall not be distributed to shareholders.

Upon liquidation of the Company's property and the preparation of the balance sheet and list of property, if the liquidation committee becomes aware that the Company does not have sufficient property to meet its liabilities, it must apply to the People's Court for a bankruptcy liquidation. After the People's Court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

Upon completion of the Company's liquidation, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the People's Court for confirmation, and then submit it to the company registration authority to apply for cancelation of the Company's registration and announce the termination of the Company.

Where the Company is declared bankrupt according to law, it shall carry out bankruptcy liquidation in accordance with relevant enterprise bankruptcy laws.

AMENDMENTS TO THE ARTICLES

The Company shall amend the Articles under any of the following circumstances:

(1) after amendments are made to the Company Law, the Hong Kong Listing Rules or relevant laws and administrative regulations, matters stipulated by the Articles are contrary to those stipulated by the amended laws and administrative regulations;

(2) if certain changes of the Company occur resulting in inconsistency with certain matters specified in the Articles;

(3) The general meeting resolves to amend the Articles.

If the amendment to the Articles adopted by resolution of the general meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if it involves matters of company registration, the registration of the changes shall be made in accordance with the law. The Board shall amend these Articles in accordance with the resolution of the general meeting on amendment to the Articles and the examination and approval opinions from relevant authorities. After the amendment of the Articles, the Board shall appoint a special person to the company registration authority for record in a timely manner.

Where the amendments to the Articles constitute information that shall be disclosed under the laws and regulations, the Company shall disclose such amendments in accordance with the requirements.