1. DIRECTORS AND THE BOARD

(1) Power to allot and issue shares

The Board is entitled to formulate proposals for increases or reductions of registered capital, the issuance of bonds or other securities, and listing arrangements. Any such proposals and matters shall be implemented only after the relevant approval procedures have been completed in accordance with applicable laws, administrative regulations, departmental rules, the securities regulatory rules of the stock exchange(s) on which the Company's shares are listed, and the articles of association (also referred to as the "Articles of Association").

(2) Power to dispose of assets of the Company or any subsidiaries

Subject to the requirements of applicable laws, administrative regulations, normative documents, the securities regulatory rules of the stock exchange(s) on which the Company's shares are listed, and the provisions of the Articles of Association, the Board is authorized to resolve, within the scope of authority delegated by the general meeting, on matters relating to the Company's external investments, acquisitions and disposals of assets, creation of security interests over assets, provision of guarantees (matters relating to external guarantees that are not required by applicable regulations to be approved by the general meeting shall be determined by the Board), entrusted wealth management, connected transactions, external donations, and other such matters. Matters falling outside the scope of authority so delegated shall be submitted to the general meeting for consideration.

(3) Compensation or payments upon cessation of office

A Director may be removed from office before the expiry of his/her term by ordinary resolution of the general meeting, provided that such removal shall not prejudice any claim for damages that such Director may have under any contract.

(4) Loans to Directors

In principle, neither the Company nor any subsidiaries (including its affiliates) shall provide financial assistance in any form, whether by way of gift, advance, guarantee, loan, or otherwise, to any person for the purpose of acquiring shares in the Company or its parent company. There are no other specific provisions in the Articles of Association relating to the granting of loans to Directors.

(5) Financial assistance for the purchase of shares in the Company or any subsidiaries

Neither the Company nor its subsidiaries (including its affiliates) shall provide financial assistance in any form, whether by way of gift, advance, guarantee, loan, or otherwise, to any person for the purpose of acquiring shares in the Company or its parent company, except where such assistance is provided pursuant to an employee share ownership plan implemented by the Company or pursuant to a resolution duly approved by the general meeting or the Board in accordance with the Articles of Association or an authorization granted by the general meeting. For the benefit of the Company, the Company may, by resolution of the general meeting, or by resolution of the Board pursuant to an authorization conferred by the Articles of Association or the general meeting, provide financial assistance to any person for the purpose of acquiring shares in the Company or its parent company; provided that the aggregate amount of such financial assistance shall not exceed 10% of the total issued share capital of the Company.

(6) Disclosure of interests in contracts with the Company or any subsidiaries

A Director shall not, without having reported to the Board or the general meeting and having obtained approval by a resolution of the Board or the general meeting in accordance with the Articles of Association, directly or indirectly enter into any contract or transaction with the Company. The same shall apply to contracts or transactions entered into with the Company by the close relatives of a Director, or enterprises directly or indirectly controlled by such close relatives, as well as other connected persons having related relationships with such Director. If the Board resolves on any such matter, any interested Director shall abstain from voting.

(7) Remuneration

The appointment and removal of members of the Board, and the determination of remuneration for Directors, shall be approved by ordinary resolution of the general meeting. Matters relating to the remuneration, rewards, and disciplinary actions of senior management shall be determined by the Board.

(8) Resignation, appointment, and removal

The Company shall establish a Board comprising five to nineteen Directors, including at least three independent Directors and not less than one-third of the total number of Directors. Members of the Board shall be elected by the general meeting in accordance with the law. Directors shall be elected or replaced by the general meeting, with each term of office being three years; a Director may be re-elected upon the expiry of his/her term. Prior to the expiry of a term, a Director may be removed by ordinary resolution of the general meeting. The Board shall have one Chairperson, who shall be elected by more than two-thirds of all Directors (excluding the given figure).

A Director may concurrently serve as the general manager or other senior management member of the Company, provided that the total number of Directors concurrently holding the position of manager or other senior management shall not exceed one-half of the total number of Directors of the Company. The Board shall include one Director who is a representative of the employees.

Directors of the Company are natural persons, and a person shall not serve as a Director of the Company if any of the following circumstances applies:

(I) a person without capacity or with limited capacity for civil conduct;

(II) a person who has been sentenced to criminal punishment for corruption, bribery, infringement of property, misappropriation of property or for damaging the order of the socialist market economy, where less than five years have elapsed since the sentence was served, or who has been deprived of his/her political rights due to criminal offense, where less than 5 years have elapsed since the sentence was served, or where less than 2 years have elapsed since the date of expiration of the probationary period if such person is sentenced to probation;

(III) a person who served as a director, or a factory director or a manager, and assumed personal liability for bankruptcy liquidation of a company or an enterprise, where less than 3 years have elapsed since the date of completion of the bankruptcy liquidation of such company or such enterprise;

(IV) a person who was the legal representative of a company or an enterprise whose business license has been revoked and was ordered to cease its business due to violation of laws and who is personally liable for the revocation, where less than 3 years have elapsed since the date on which the business license of such company or enterprise was revoked or such company or enterprise was ordered to cease its business;

(V) a person who has a relatively large amount of debts which have fallen due but have not been settled and is named a dishonest person subject to enforcement by the People's Court;

(VI) a person who has been banned from entering the securities market by the CSRC and whose term has not yet expired;

(VII) Other matters stipulated by laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place on which the Company's shares are listed or rules of relevant regulatory authorities.

(9) Borrowing power

The Board is entitled to formulate proposals for the issuance of bonds or other securities by the Company and related listing arrangements. Any such proposals shall be implemented only after the requisite approval procedures have been completed in accordance with applicable laws, administrative regulations, departmental rules, the securities regulatory rules of the stock exchange(s) on which the Company's shares are listed, and the Articles of Association.

2. ALTERATIONS TO CONSTITUTIONAL DOCUMENTS

The Company shall amend the Articles of Association in any of the following circumstances:

(I) after the amendments to the Company Law or other applicable laws or administrative regulations, any provision of the Articles of Association conflicts with the amended laws or administrative regulations;

(II) the changes that the Company has undergone are inconsistent with the records made in the Articles of Association;

(III) the general meeting has resolved to amend the Articles of Association.

If the amendments to the Articles of Association approved by resolution of the general meeting are required to be submitted to the competent authority for approval, such amendment shall be reported to and approved by the competent authority accordingly; where the amendment involves registration of the Company, the relevant change registration procedures shall be completed in accordance with the law. The Board shall amend the Articles of Association in accordance with the resolution of the general meeting to amend the Articles of Association and the approval opinions of the relevant competent authorities.

3. VARIATION OF RIGHTS OF EXISTING SHARES OR CLASSES OF SHARES

If at any time the shares of the Company are divided into different classes of shares, a special resolution shall be required to be passed by the shareholders holding shares of such class or classes to which such rights are attached.

4. SPECIAL RESOLUTIONS REQUIRING AN ABSOLUTE MAJORITY OF VOTES

The resolutions of the general meeting are divided into ordinary resolutions and special resolutions.

An ordinary resolution made by the general meeting shall be passed by a simple majority of the voting rights held by the shareholders (including proxies of shareholders) present at the meeting.

A special resolution made by the general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies of shareholders) present at the meeting.

The following matters shall be approved by ordinary resolution of the general meeting:

(I) consideration and approval of the report of the Board;

(II) election and replacement of Directors, and determination of the remuneration of Directors and the manner of payment thereof;

(III) consideration and approval of the Company's profit distribution plan and loss recovery plan;

(IV) consideration and approval of guarantee matters as prescribed by the Articles of Association;

(V) consideration and approval of changes to the use of proceeds;

(VI) consideration and approval of the Company's annual financial budget and final accounts;

(VII) appointment and removal of the accounting firm engaged to provide periodic audit services to the Company, and determination of its remuneration; and

(VIII) any other matter not required by laws, administrative regulations, the listing rules of the stock exchange(s) on which the Company's shares are listed, or the Articles of Association to be approved by special resolution.

The following matters shall be approved by special resolution of the general meeting:

(I) amendments to the Articles of Association;

(II) increases or reductions of the Company's registered capital;

(III) merger, division, dissolution, liquidation, or change of corporate form of the Company;

(IV) consideration and approval of the acquisition or disposal of material assets by the Company (including its controlling subsidiaries) within a single year, where the value of such assets exceeds 30% of the Company's total audited assets as of the most recent period;

(V) resolutions relating to the formulation, amendment, or termination of equity incentive plans and employee share ownership plans of the Company; and

(VI) any other matter required to be approved by special resolution pursuant to laws, administrative regulations, departmental rules, the listing rules of the stock exchange(s) on which the Company's shares are listed, or the Articles of Association, as well as any matter determined by ordinary resolution of the general meeting to have a material impact on the Company and to require approval by special resolution.

5. VOTING RIGHTS (GENERAL RULES OF VOTING)

Shareholders (including proxies thereof) shall exercise their voting rights based on the number of voting shares they represent. Each share is entitled to one vote. When voting, a shareholder (including proxies thereof) who has two or more voting rights is not required to cast all of his/her voting rights either in favor of or against a resolution or to abstain.

When considering material matters affecting the interests of minority investors at a general meeting, the votes of minority investors shall be counted separately. The results of such separate vote counting shall be publicly disclosed in a timely manner in accordance with laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange(s) on which the Company's shares are listed, or the Articles of Association.

Shareholders attending the general meeting shall express one of the following positions in respect of each resolution put to a vote: in favor, against, or abstaining.

Any ballot that is left blank, incorrectly completed, or illegible, or any vote that is not cast, shall be deemed to constitute a waiver of voting rights by the relevant shareholder, and the voting result attributable to the shares held by such shareholder shall be recorded as an "abstention".

Where the securities regulatory rules of the stock exchange(s) on which the Company's shares are listed require any shareholder to abstain from voting on a resolution, or restrict any shareholder to voting only in favor of (or against) a resolution, any votes cast by such shareholders or their representatives in contravention of such requirements or restrictions shall not be included.

6. REQUIREMENTS FOR ANNUAL GENERAL MEETING

General Meetings shall be classified into annual general meeting and extraordinary general meeting. The annual general meeting shall be held once each financial year and shall be convened within six months following the end of the previous financial year.

7. ACCOUNT AND AUDIT

(1) Financial and accounting policies

The Company shall establish its financial and accounting systems in accordance with the laws, administrative regulations and requirements of the related state departments. The Company shall prepare financial reports at the end of each accounting year. Such reports shall be reviewed and verified according to law. In addition to the PRC accounting standards and regulations, the financial statements of the Company shall also be prepared in accordance with the international accounting standards or the accounting standards of the place outside the PRC where the shares of the Company are listed. Any material discrepancy between the financial statements prepared in accordance with two different accounting standards shall be explained in the notes to the financial statements. When distributing after-tax profits for a relevant financial year, the Company shall use the lower of the after-tax profit figures from the two aforementioned financial statements.

The Company shall not maintain any accounting books other than those required by law. No funds of the Company shall be deposited in any account held in the name of any individual. The Company's financial reports shall be made available at the Company's premises for inspection by shareholders at least 21 days before the convening of the annual general meeting.

(2) Appointment and dismissal of accountants

The Company shall engage an independent accounting firm that satisfies the applicable requirements of relevant state regulations and the regulatory requirements of the stock exchange(s) on which the Company's shares are listed, to provide audit services in respect of its financial statements, verification of net assets, and other related advisory services. The engagement shall be for a term of one year, renewable upon expiry. The appointment and removal of the accounting firm shall be resolved by the general meeting, and the Board shall not appoint any accounting firm before a resolution is made by the general meeting. The accounting firm engaged by the Company shall have the right to inspect the Company's books, records, and vouchers, to request relevant information and explanations from the Company's Directors and senior management, and to attend general meetings.

The Company guarantees that it will provide the accounting firm with true and complete accounting documents, account books, financial reports and other accounting information, and shall not refuse, conceal or misrepresent them. The remuneration of the accounting firm, or the method of determining such remuneration, shall be decided by the general meeting. Notice shall be given to the accounting firm no less than 30 days in advance should the Company decide to remove such accounting firm or not to reappoint it. Such accounting firm shall be allowed to make representations when its removal is voted at the general meeting. Where the accounting firm resigns from its position, it shall clarify to the shareholders at a general meeting on any irregularities on the part of the Company.

8. NOTICE AND AGENDA OF GENERAL MEETING

(1) General provisions of general meetings

In any of the following circumstances, the Company shall convene an extraordinary general meeting within two months after the occurrence of the relevant circumstance:

(I) the number of directors is fewer than the minimum number prescribed by the Company Law or two-thirds of the number specified in the Articles of Association;

(II) the unrecovered losses of the Company reach one-third of the total share capital;

(III) shareholder who solely holds, or shareholders who in aggregate hold, ten percent or more of the voting rights of the Company (excluding treasury shares) requests or request in writing the convening of an extraordinary general meeting;

(IV) where it is considered necessary by the Board;

(V) where it is proposed by the audit committee of the Board;

(VI) other circumstances specified by laws, administrative regulations, departmental rules, the regulatory rules of the stock exchange(s) on which the Company's shares are listed, or the Articles of Association.

(2) Convening of general meetings

The Board shall convene general meetings within the prescribed period.

Upon consent by more than half of all the independent non-executive directors, the independent non-executive directors shall have the right to propose to the Board to convene an extraordinary general meeting. The Board shall give a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within 10 days after receiving such proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board agrees to convene an extraordinary general meeting, a notice convening such meeting shall be issued within 5 days after the date of the relevant board resolution. If the Board does not agree to convene an extraordinary general meeting, an explanation shall be given and disclosed by way of announcement.

The audit committee of the Board shall have the right to propose to the Board to convene an extraordinary general meeting, and such proposal shall be submitted in writing. The Board shall give a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within 10 days after receiving such proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board agrees to convene an extraordinary general meeting, a notice convening such meeting shall be issued within 5 days after the date of the relevant board resolution.

If the Board does not agree to convene the extraordinary general meeting or does not give any written reply within 10 days after receiving the proposal, the audit committee of the Board may convene and preside over the meeting on its own.

(3) Proposals at general meetings

In connection with the convening of a general meeting, the Board, the audit committee, and any shareholder or shareholders holding, individually or collectively, 1% or more of the Company's shares shall be entitled to submit proposals to the Company.

Any shareholder or shareholders holding, individually or collectively, 1% or more of the Company's shares may submit extraordinary proposals in writing to the Board no later than 10 days before the convening of the general meeting. Extraordinary proposals shall set out a clear subject matter and specific resolutions. The Board shall notify other shareholders within two days of receipt of the proposal and submit the extraordinary proposal to the general meeting for consideration, unless the extraordinary proposal contravenes applicable laws, administrative regulations, or the Articles of Association, or does not fall within the scope of powers of the general meeting.

Except for the circumstances prescribed in the preceding paragraph, the convener shall not amend the proposals specified in the notice of the general meeting or add new proposals after the notice has been issued.

Proposals that have not been set out in the notice of the general meeting or that do not comply with the Articles of Association shall not be voted on or resolved at the general meeting.

The convener shall notify all shareholders at least 21 days before the annual general meeting and at least 15 days before any extraordinary general meeting, unless each shareholder agrees in writing that the notice period or notification requirements for that meeting may be waived.

In calculating the relevant time periods, the Company shall not include the day on which the meeting is held. Where otherwise provided by laws, regulations or the securities regulatory authorities of the place where the Company's shares are listed, such provisions shall prevail.

9. TRANSFER OF SHARES

Shares issued by the Company prior to the public offering of its shares shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange.

The Directors and senior management of the Company shall declare to the Company the number of shares of the Company held by them and any changes thereto. The number of shares transferred each year during their term of office as determined at the time of their appointment shall not exceed 25% of the total number of shares of the same class of the Company held by them. The shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The shares of the Company held by them shall not be transferred within six months after leaving office.

Where the securities regulatory authority of the stock exchange(s) on which the Company's shares otherwise provide for restrictions on the transfer of overseas-listed shares, such provisions shall prevail.

10. POWER OF THE COMPANY TO PURCHASE ITS OWN SHARES

The Company may, in accordance with laws, administrative regulations, departmental rules and the Articles of Association, acquire its own shares under any of the following circumstances:

(I) to reduce the registered capital of the Company;

(II) to merge with another company that holds shares of the Company;

(III) to use newly issued shares for equity incentives for employee stock ownership plan or equity incentives;

(IV) where shareholders disagree with a resolution of the general meeting on the merger or division of the Company and request the Company to acquire their shares;

(V) to utilize the shares for conversion of corporate bonds issued by the Company which are convertible into shares;

(VI) necessary for the Company to maintain the value of the Company and the interests of its shareholders;

(VII) other circumstances as permitted by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed.

The Company may acquire its own shares through open and centralized transactions or other means permitted by laws and administrative regulations and approved by the CSRC. Where the Company acquires its own shares pursuant to items (III), (V) or (VI) above, such acquisition shall be conducted through open and centralized transactions.

Where the Company acquires its own shares pursuant to item (I) or (II) above, such acquisition shall be subject to a resolution of the general meeting. Where the Company acquires its own shares pursuant to item (III), (V) or (VI) above, such acquisition may be subject to a resolution of a Board meeting at which more than two-thirds (exclusive) of all Directors are present, pursuant to the Articles of Association or an authorization granted by the general meeting.

With respect to unlisted domestic shares, where the Company acquires its own shares pursuant to item (I) above, such shares shall be cancelled within 10 days from the date of acquisition; where the acquisition is made pursuant to item (II) or (IV) above, such shares shall be transferred or cancelled within 6 months; where the acquisition is made pursuant to item (III), (V) or (VI) above, the total number of shares of the Company so held shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years.

11. POWER OF ANY SUBSIDIARY OF THE COMPANY TO OWN SHARES IN THE COMPANY

There are no provisions in the Articles of Association relating to ownership of shares in the parent company by a subsidiary of the Company.

12. DIVIDENDS AND OTHER MEANS OF DISTRIBUTION

The Company shall implement a proactive profit distribution policy and, on the principle of equal entitlement per share, propose a profit distribution plan after the end of each financial year. The Company may distribute profits in the form of cash dividends, share dividends or a combination of cash and share dividends. Profit distribution shall not exceed the amount of accumulated distributable profits. Where the conditions for cash dividends are satisfied, cash dividends shall be given priority over share dividends. In principle, the Company shall conduct profit distribution at least once in each financial year. Where the Company recorded profits in the preceding financial year and has positive accumulated distributable profits, and subject to satisfying the funding requirements for its normal production and operations, the Company shall make cash dividend distributions.

Where the general meeting distributes profits to shareholders in violation of laws and regulations before the Company has made up its losses and allocated the statutory reserves, the shareholders shall return the profits so distributed in violation of such provisions to the Company. Where any loss is caused to the Company, the shareholders and the directors and senior management responsible therefor shall be liable for compensation. No profit shall be distributed in respect of the shares of the Company held by the Company.

13. PROXIES

Shareholders may attend the general meeting in person or appoint proxies to attend the meeting and vote on their behalf.

Each shareholder shall have the right to appoint one or more persons (who may not be a shareholder) as his proxies to attend and vote on his behalf. If a shareholder is a corporation, it may appoint one or more persons (who may not be a shareholder) to represent it at any meeting of shareholders and to vote on its behalf; and if such corporation has appointed a representative to attend any meeting, it shall be deemed to be present in person.

If a shareholder is a recognized clearing house or its agent within the meaning of the relevant regulations imposed in Hong Kong from time to time, it may authorize one or more proxy(ies) as it thinks fit to act as its proxy(ies) at any shareholders' general meeting. However, if more than one proxy are appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization, and signed by authorized proxies of recognized clearing house. Such authorized proxies may attend meeting on behalf of the recognized clearing house or its agent (without presentation of evidence of its shareholding, notarized authorization and/or any further proof demonstrating the duly granting of the same) and to speak at the meeting and exercise the right of the recognized clearing house or their agent, as if they are the individual shareholders of the Company. These authorized persons have the same statutory rights as other shareholders, including the right to speak and vote.

An individual shareholder who attends the general meeting in person shall present his/her own ID card or other valid documents or proof which can confirm his/her identity. If a proxy is appointed to attend the meeting, the proxy shall also present his/her own valid identity proof together with the authorization letter from the shareholder.

A corporate shareholder should attend the meeting by its legal representative or an agent authorized by the legal representative, they shall present their identity cards and valid proof of their capacities as legal representatives; in the case of attendance by a proxy, he/she shall present his/her identity card and the written proxy form issued in accordance with law by such legal representative of the corporate shareholder, or a proxy form (except the shareholder is a recognized clearing house as defined in the relevant ordinances enacted in Hong Kong from time to time (or its nominee)). If the corporate shareholder has appointed a representative to attend any meeting, it shall be deemed to have attended in person.

14. CALLS ON SHARES AND FORFEITURE OF SHARES

The Articles of Association do not contain provisions regarding calls on shares and forfeiture of shares.

15. INSPECTION OF REGISTER OF MEMBERS

The Company shall establish a register of shareholders based on the vouchers provided by the securities registration and clearing institution. The register of shareholders shall be sufficient evidence of the shareholders' holdings of the Company's shares. Shareholders shall enjoy the rights and assume the obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The register of members shall consist of the following parts: (1) a register of members, other than those specified in subparagraphs (2) and (3) of this paragraph, which is kept at the domicile of the Company; (2) a register of members of the Company's H Shares kept at the place where the Company's shares are listed, provided that the Company may close the register of members on terms equivalent to those of section 632 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong); (3) such register of members as the board of directors may determine to be kept elsewhere for the purpose of listing of Company's shares.

When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities requiring the identification of shareholders, the shareholders whose names appear on the register of shareholders are entitled to the relevant rights.

16. QUORUM FOR SHAREHOLDERS' MEETINGS AND SEPARATE CLASS MEETINGS

The Articles of Association do not contain provisions regarding the quorum for shareholders' meetings and class shareholders' meetings.

17. RIGHTS OF MINORITIES IN RELATION TO FRAUD OR OPPRESSION

If a director violates the provisions of laws, administrative regulations, departmental rules, or the Articles of Association while performing his or her duties and causes losses to the company, he or she shall be liable for compensation.

If directors or senior management violate laws, administrative regulations, or the Articles of Association while performing their duties and cause losses to the Company, shareholders who have held, individually or collectively, at least 1% of the Company's shares for a continuous period of 180 days or more have the right to request in writing that the Board's Audit Committee file a lawsuit with the people's court.

In the event that the Audit Committee or the Board refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the people's court directly in their own name in the interest of the Company.

Where a third party infringes upon the Company's lawful rights and interests and causes loss to the Company, a shareholder who has held, either individually or in aggregate, 1% or more of the Company's shares for a continuous period of 180 days or more may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.

18. LIQUIDATION PROCEDURES

The Company shall be dissolved for the following reasons:

(1) expiry of the term of business provided in the Articles of Association or other reasons for dissolution as specified in the Articles of Association;

(2) a resolution on dissolution is passed by the shareholders' meeting;

(3) dissolution is required due to the merger or division of our Company;

(4) business license is revoked, or our Company is ordered to close down or to be cancelled in accordance with laws;

(5) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10 percent of all shareholders' voting rights may petition 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 10 days.

With regard to the occurrence of the situations described in item (1) and item (2), if no asset has been distributed to shareholders, the Company may continue to exist by amending the Articles of Association or by passing a resolution of the general meeting.

Amendments to the Articles of Association or a resolution of the general meeting pursuant to the preceding paragraph shall be subject to the approval of shareholders representing 2/3 or above of the voting rights present at the general meeting.

Where the Company is dissolved pursuant to items (1), (2), (4) or (5), the Company shall be liquidated. Directors shall be the liquidation obligors, and a liquidation committee shall be formed, within 15 days from the occurrence of the events of dissolution, to perform liquidation.

If the Company is required to undergo liquidation pursuant to the preceding paragraph but fails to establish a liquidation committee within the prescribed time limit, or fails to proceed with liquidation after establishing such a committee, interested parties may apply to the People's Court to appoint relevant personnel to form a liquidation committee to carry out the liquidation.

If the Company is dissolved pursuant to item (4) of the aforementioned grounds for dissolution, the department that issued the decision to revoke the business license, order the closure, or revoke the registration, or the Company registration authority, may apply to the people's court to designate relevant personnel to form a liquidation committee to conduct the liquidation.

The liquidation committee shall consist of the directors, unless otherwise stipulated in the Articles of Association or otherwise selected by a resolution of the general meeting.

If a liquidation obligor fails to perform his/her liquidation obligations in a timely manner, thereby causing losses to the Company or the creditors, such liquidation obligor shall be liable for compensation.

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

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

(2) to notify creditors by notice or public announcement;

(3) to deal with any outstanding business of the Company related to the liquidation;

(4) to pay any tax overdue and tax arising from the liquidation process;

(5) to settle the claims and debts of the Company;

(6) to handle the surplus assets of the Company after the full repayment of its debts;

(7) to represent the Company in civil litigation.

The liquidation group shall notify the creditors within 10 days after its establishment and shall publish a notice within 60 days in a newspaper or on the National Enterprise Credit Information Publicity System, or in any other manner required by the securities exchange where the company's shares are listed. The liquidation expenses, employee salaries, social insurance expenses, and statutory compensation, paying the outstanding taxes, and paying off the Company's debts, shall be distributed by the Company in proportion to the number of shares held by the shareholders

19. OTHER IMPORTANT PROVISIONS CONCERNING THE COMPANY OR SHAREHOLDERS

(1) General provisions

The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations, and was incorporated on April 22, 2019. The name of the Company: Nanjing Lingxing Technology Co., Ltd. Address of the Company: 2nd Floor, Building B4, International Corporate Headquarters Park, 19 Suyuan Avenue, Jiangning Development Zone, Nanjing. The Company is a joint-stock company with a term of operation from April 22, 2019, to April 21, 2069. The Company's legal representative is a director or manager who acts on behalf of the Company in the conduct of its affairs; currently, this role is held by the Company's Chairperson.

From the effective date of the Articles of Association, the Articles of Association shall become a legally binding document which regulates the Company's organization and acts, the rights and obligations between the Company and shareholders, and amongst the shareholders, and shall be legally binding on the Company, shareholders, directors and senior management.

(2) Capital increase and capital reduction

Based on the needs of operation and development, the Company may increase capital by the following means in accordance with the provisions of the laws and regulations, and the listing rules of the stock exchange where the Company's shares are listed, upon resolution of the shareholders' general meeting:

(1) issuing shares to non-specific investors;

(2) offering of shares to specific investors;

(3) distribution of bonus shares to existing shareholders;

(4) conversion of capital reserve into share capital;

(5) other methods prescribed by laws, administrative regulations or approved by relevant regulatory authorities such as the State Council's securities regulatory body and the regulatory body of the stock exchange where the Company's shares are listed.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the Company Law, the Hong Kong Listing Rules, and other relevant provisions, and the procedures stipulated in the Articles of Association.

(3) Shareholders

Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other forms of distribution of interests in proportion to their shareholdings;

(2) to request to convene, hold, preside over, attend in person or appoint a proxy to attend the shareholders' general meeting and exercise their voting rights correspondingly in accordance with the laws;

(3) to supervise, and make recommendations or inquiries on the operation of the Company;

(4) to transfer, bestow or pledge the shares they hold in accordance with the laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association;

(5) to inspect and copy the Articles of Association, register of shareholders, minutes of shareholders' general meetings, resolutions of the Board meetings, and financial and accounting reports. Eligible shareholders may inspect the Company's accounting books and accounting documents;

(6) to participate in the distribution of the Company's remaining assets in proportion to their shareholdings upon termination or liquidation of the Company;

(7) the shareholders disagreeing with the merger or separation resolution made by the shareholders' general meeting are entitled to ask the Company to acquire their shares;

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

Shareholders of the Company shall assume the following obligations:

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

(2) to pay capital contributions in accordance with the shares subscribed and the capital participation method;

(3) not to withdraw from the Company its capital contribution except for the circumstances set out in laws and regulations;

(4) not to abuse shareholders' rights to damage the interests of the Company or other shareholders; not to abuse 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) to assume other obligations required by the laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association.

(4) The Board

The Board shall exercise the following functions and powers:

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

(2) to implement resolutions of the shareholders' general meeting;

(3) to decide on the Company's operating plans and investment proposal;

(4) to develop the Company's annual financial budget and final accounts;

(5) to formulate the Company's profit distribution proposals and loss recovery proposal;

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

(7) to formulate plans for the merger, division, dissolution, liquidation, or change of corporate form of the Company;

(8) to determine matters relating to the Company's external investment, the acquisition and disposal of assets, asset pledges, and guarantees (except for external guarantees that must be approved by the shareholders' meeting in accordance with regulations, all other guarantees shall be decided by the Board), entrusted asset management, related-party transactions, and external donations within the scope of authority granted by the shareholders' meeting;

(9) to decide on the setup of the Company's internal management organization;

(10) to decide on matters such as appointment or dismissal of the manager, the secretary to the Board; to decide on matters such as appointment or dismissal of the deputy manager, financial controller or other senior management personnel of the Company according to nominations of the manager of the Company and on their remuneration, reward and punishment;

(11) to set up the basic management system of the Company;

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

(13) to manage corporate disclosure matters;

(14) to propose to the shareholders' general meeting to appoint or replace the accounting firm performing the audit of the Company;

(15) to receive reports on the work of the Company's manager and review the manager's work;

(16) to review and approve transactions that, pursuant to the regulatory rules of the stock exchange where the Company's shares are listed, require a decision by the Board of Directors;

(17) to formulate equity incentive plans and employee stock ownership plans, and resolve on the implementation of equity incentive plans in accordance with the Company's equity incentive plan approved by the shareholders' meeting;

(18) other functions and powers as stipulated by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed or the Articles of Association.

(5) Responsibilities of Directors

The Directors shall abide by the following loyalty obligations to the Company:

(1) not to embezzle the property of the Company; not to appropriate the funds of the Company;

(2) not to open any account in his/her/their own name(s) or in the name(s) of other person(s) for the purpose of depositing the funds of the Company;

(3) not to abuse their powers to bribe or accept other illegal income;

(4) not to execute any contract or reach any transaction with the Company without reporting to the board of directors or the shareholders' general meeting and being approved by a resolution of the board of directors or the shareholders' general meeting in accordance with the Articles of Association;

(5) not to pursue the business opportunity that should belong to the Company for themselves or others, except when reported to the board of directors or the shareholders' general meeting and approved by a resolution of the shareholders' general meeting, or when the Company, according to laws, administrative regulations, the regulatory rules of the stock exchange where the Company's shares are listed, or the provisions of the Articles of Association, cannot utilise such business opportunities;

(6) without reporting to the board of directors or the shareholders' meeting and obtaining approval through a resolution of the shareholders' meeting in accordance with the provisions of the Articles of Association, no person may engage in business similar to that of the Company on their own behalf or on behalf of others;

(7) not to accept the commissions of the transaction of the Company as self property from others;

(8) not to disclose the secrets of the Company without permission;

(9) not to damage the interests of the Company by the personal relationships;

(10) other loyalty obligations provided by the laws, administrative regulations, departmental regulations, the regulatory rules of the stock exchange where the Company's shares are listed, and the Articles of Association.

Income derived by a director from violation of the provisions of this Article shall belong to the Company; he/she shall be liable for compensation for any loss of the Company arising therefrom. Directors shall comply with the provisions of laws, administrative regulations and the Articles of Association, and shall owe a duty of care to the Company; in performing their duties, they shall exercise the reasonable care ordinarily expected of a manager in the best interests of the Company.

Directors owe the following diligent obligations towards the Company:

(1) exercising the rights conferred by the Company prudently, seriously and diligently to ensure that the commercial activities of the Company comply with the state's laws and administrative regulations and the requirements of the state's various economic policies, and the commercial activities shall not exceed the scope of business stipulated in the business license;

(2) treating all shareholders equally;

(3) timely understanding the business operations and management of the Company;

(4) signing a written confirmation to the Company's periodic reports, to ensure that the information disclosed by the Company is true, accurate and complete;

(5) providing the relevant information and materials to the Audit Committee truthfully and not hindering the exercise of functions and powers by the Audit Committee;

(6) other diligent obligations stipulated by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association.

Any director who violates laws, administrative regulations, departmental rules, or the Articles of Association in performing his/her duties and thereby causes losses to the Company shall be liable for compensation.

If a director causes losses to others in performing his/her duties, the Company shall be liable for compensation; the director shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

(6) Independent non-executive director

The Company's board of directors shall consist of at least three independent directors, who shall constitute no less than one-third of the total number of directors. At least one of these independent directors must possess appropriate expertise in accounting or related financial management, as required by the stock exchange where the Company's shares are listed, or hold appropriate professional qualifications. Independent directors shall maintain their independence in accordance with relevant regulations, conscientiously perform their duties, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders. Independent directors are entitled to special powers, such as proposing to the board of directors that an extraordinary general meeting be convened and independently engaging professional service providers.

(7) Audit Committee of the Board

The Board of the Company has established the Audit Committee, which exercises the functions and powers of the supervisory committee as stipulated in the Company Law. The Audit Committee shall comprise three Directors who are not serving as senior management of the Company. Two of these members are independent directors, and the convenor shall be an independent director with professional accounting qualifications.

The Audit Committee is responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating the internal and external auditing work and internal control of the Company. The following matters shall be submitted to the Board for deliberation with the approval of more than half of all members of the Audit Committee:

(1) disclosure of financial information in financial reports and periodic reports, as well as internal control evaluation reports;

(2) appointment or dismissal of the accounting firm that undertakes the audit engagements of the Company;

(3) appointment or dismissal of the chief financial officer of the Company;

(4) changes in accounting policies or accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;

(5) other matters prescribed by laws, administrative regulations, the CSRC provisions, and the Articles of Association.

(8) Manager

The Company shall have a general manager who shall be appointed or removed by the Board. The manager shall be held accountable to the Board and shall exercise the following functions and powers:

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

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

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

(4) to formulate the Company's basic management systems;

(5) to establish the Company's specific rules and regulations;

(6) to recommend to the Board the appointment or dismissal of deputy general managers or the chief financial officer of the Company;

(7) to decide on transactions that do not meet the criteria set forth in the Articles of Association for approval by the shareholders' meeting or the board of directors;

(8) other powers granted by the Articles of Association or the Board.

The manager shall attend Board meetings.

(9) Statutory reserve fund

The Company is required to withdraw 10% of its profits into its statutory reserve fund when distributing each year's after-tax profits. When the accumulated amount of the statutory reserve fund of the Company has reached 50% or more of its registered capital, no further withdrawal is required.

Where the statutory reserve fund of the Company is insufficient to make up the losses of the Company for the preceding year, profits of the current year shall be applied to make up the losses before any allocation to the statutory reserve fund.

Subject to a resolution of the shareholders' general meeting, after a withdrawal has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.

After making up for the losses and making contributions to the statutory reserve fund, any remaining after-tax profits shall be distributed to the shareholders in proportion to their respective shareholdings.

The statutory reserve fund of the Company shall be used for making up the Company's losses, expanding the Company's production and operation, or being converted into the capital of the Company. To make up for the Company's losses with the reserves, the discretionary reserves and statutory reserves shall be used first; if the losses cannot be covered, the capital reserves can be used in accordance with the provisions. When capitalizing the statutory common reserve fund, the balance of such statutory reserve fund shall not be less than 25% of the registered capital of the Company before the conversion.