This Appendix contains the summary of the main provisions of the Company's Articles of Association, which will come into effect on the date on which the Company's H shares are [**REDACTED**] on the Hong Kong Stock Exchange. This Appendix is mainly intended to provide [**REDACTED**] with an overview of the Company's Articles of Association, it may not contain all the information that is important to [**REDACTED**].

SHARE ISSUANCE

The Company's shares are in the form of registered shares.

The issuance of the Company's shares follows the principles of openness, fairness and justice. Each share of the same class has equal rights. For shares under the same class issued in the same offering, the issuance conditions and prices per share are the same; subscribers pay the same price for each share they subscribe for.

The A shares issued by the Company are centrally deposited with the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. The H shares [**REDACTED**] by the Company may, in accordance with the laws and the practices of securities registration and depository of the place where the H shares are [**REDACTED**], be mainly deposited with the nominee company under Hong Kong Securities Clearing Company Limited, and may also be held by shareholders under their own names.

INCREASE, DECREASE AND REPURCHASE OF SHARES

Increase and Decrease of Shares

The Company may, in accordance with laws, regulations and the securities regulatory rules of the place where the Company's shares are listed, and upon a resolution passed by the shareholders' meeting, increase its capital in the following ways based on the needs of its operation and development:

(1) issuance of shares to unspecified parties;

(2) issuance of shares to specified parties;

(3) distribution of bonus shares to existing shareholders;

(4) conversion of capital reserves into share capital;

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

The Company may reduce its registered capital. In the event that the Company reduce its registered capital, it shall do so in accordance with the Company Law and any other relevant regulations and the procedures stipulated in these Articles of Association.

Share Repurchase

The Company may not purchase its own shares except under the following circumstances:

(1) reducing the Company's registered capital;

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

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

(4) purchasing the shares held by the shareholders who object to the resolution on the Company's merger or division passed by the shareholders' meeting and demand the Company to buy back the shares held by them;

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

(6) maintaining the Company's value and the rights and interests of shareholders as deemed necessary by the Company;

(7) any other circumstances permitted by laws, administrative regulations, and relevant regulatory rules of the place where the company's shares are listed.

The Company may purchase its own shares through public centralized trading or any other methods accepted by laws, administrative regulations, relevant regulatory rules of the place where the Company's shares are listed, and the CSRC.

When the Company purchases its own shares under the circumstances specified in sub-paragraphs (3), (5), and (6) above, it shall do so through public centralized trading.

When the Company purchases its own shares under the circumstances specified in sub-paragraphs (1) and (2) above, it shall be resolved by the shareholders' meeting; when the Company purchases its own shares under the circumstances specified in sub-paragraphs (3), (5), and (6) above, it shall, subject to the compliance with the securities regulatory rules of the place where the Company's shares are listed, be resolved by a board meeting attended by more than two-thirds of the directors.

Upon the purchase by the Company of its own shares in accordance with the above — mentioned provisions, and subject to the compliance with the securities regulatory rules of the place where the Company's shares are listed, for the circumstances under sub-paragraph (1), the shares have to be cancelled within ten days from the date of purchase; for the circumstances under sub-paragraphs (2) and (4), the shares have to be transferred or cancelled within six months; for the circumstances in sub-paragraphs (3), (5), and (6), the total number of the Company's own shares held by the Company is not allowed to exceed 10% of the total number of the Company's issued shares, and the shares have to be transferred or cancelled within three years.

SHARE TRANSFER

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

The shares issued prior to the Company's public offering of A shares may not be transferred within one year from the date on which the Company's shares are listed and traded on the stock exchange.

The Company's directors and senior management members shall report to the Company the shares of the Company they hold and the changes therein. During the term of office determined at the time of taking office, the number of shares transferred each year may not exceed 25% of the total number of the shares of the same class they hold in the Company; the shares of the Company they hold may not be transferred within one year from the date on which the Company's shares are listed and traded on the stock exchange. These personnel may not transfer the shares of the Company they hold within six months after leaving office. If laws, administrative regulations, regulatory rules of the place where the Company's shares are listed, the CSRC, or any other competent authorities impose any provisions on the transfer of the Company's shares by shareholders, such provisions prevail.

Shareholders, directors, and senior management members who hold more than 5% of the Company's shares may not sell the Company's Shares or any other equity securities they hold within six months after purchase, or buy them back within six months after sale. The gain earned therefrom should belong to the Company, and the Company's board of directors shall recover such gain. However, this does not apply to securities companies that hold more than 5% of the shares due to the purchase of the remaining shares after underwriting, and not apply to any other circumstances specified by laws, administrative regulations, regulatory rules of the place where the Company's shares are listed, the CSRC, or any other competent authorities. The shares or any other equity securities held by directors, senior management members, and natural person shareholders mentioned herein include those held by their spouses, parents, children, and those held under other individuals' accounts.

If the Company's board of directors fails to act under the above — mentioned provision, shareholders have the right to demand the board of directors to act as such within 30 days. If the Company's board of directors fails to act as such within the above — mentioned time limit, shareholders have the right to directly file a lawsuit before the people's court in their own name for the interests of the Company. If the Company's board of directors still fails to act under the above — mentioned provision, the responsible directors is liable for joint and several liability in accordance with the law.

SHAREHOLDERS AND THE SHAREHOLDERS' MEETING

General provisions on shareholders

The Company shall establish a shareholders' register based on the supporting documents provided by the securities registration and clearing house. The shareholders' register is a sufficient evidence to prove the shareholding in the Company of the shareholders. Shareholders enjoy rights and bear obligations under the class of shares they hold; shareholders holding the same class of shares enjoy equal rights and bear the same obligations. The Company shall keep a branch register of overseas — listed shares at its domicile; the entrusted overseas agency shall ensure the consistency of the principal and the branch(es) of the register(s) of overseas — listed shares at all times. The Hong Kong branch of the shareholders' register must be available for shareholders for inspection, but the Company may, if necessary, close the register in accordance with the provisions equivalent to Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

When the Company intends to convene a shareholders' meeting, distribute dividends, conduct liquidation, or engage in any other activities that require the confirmation of shareholders' identities, the board of directors or the convener of the shareholders' meeting shall determine a record date. Shareholders registered in the register after the close of trading on the record date are the shareholders entitled to relevant rights and interests.

Shareholders of the Company enjoy the following rights:

(1) to receive dividends and any other forms of profit distribution based on the number of shares they hold;

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

(3) to supervise the Company's operations, make suggestions, or raise enquiries;

(4) to transfer, donate, or pledge the shares they hold subject to the provisions of laws, administrative regulations, and these Articles of Association;

(5) to inspect and photocopy these Articles of Association, the register of shareholders, the minutes of shareholders' meetings, the resolutions of the board of directors' meetings, and the financial and accounting reports. Shareholders meeting relevant requirements may inspect the Company's accounting books and vouchers;

(6) to participate in the distribution of the Company's remaining assets in proportion to the number of shares they hold when the Company is terminated or liquidated;

(7) to demand the Company to purchase the shares they hold if such shareholders object to the resolution on the Company's merger or division passed by the shareholders' meeting;

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

If the contents of the resolutions of the Company's shareholders' meeting or the board of directors violate laws or administrative regulations, shareholders the right to request the people's court to declare them invalid.

If the meeting procedures or voting methods of the shareholders' meeting or the board of directors violate the laws, administrative regulations, or these Articles of Association, or if the contents of the resolutions violate these Articles of Association, shareholders have the right to request the people's court to revoke the resolutions within 60 days from the date on which the resolutions are passed. However, this provision is not applicable if the meeting procedures or voting methods of the shareholders' meeting or the board of directors have only minor defects and have no substantial impact on the resolutions.

If there is a dispute among the board of directors, shareholders, and any other relevant parties regarding the validity of the resolutions of the shareholders' meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes any judgment or ruling to revoke the resolutions, the relevant parties shall implement the resolutions of the shareholders' meeting. The Company, its directors, and senior management members shall earnestly perform their duties to ensure the normal operation of the Company.

When the people's court makes a judgment or ruling on relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, the CSRC, and the stock exchange, and fully explain the effect, and actively cooperate with the implementation after the judgment or ruling takes effect. If it involves the correction of previous matters, the Company shall handle them in a timely manner and fulfill the corresponding information disclosure obligations.

Shareholders of the Company shall assume the following obligations:

(1) to abide by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association;

(2) to pay the subscription money for the shares they subscribe for and on the way of capital contribution;

(3) not to withdraw the capital they contributed except in cases provided by laws and regulations;

(4) not to abuse their rights to harm the interests of the Company or other shareholders; or abuse the independent status of the Company as a legal person and the limited liability of shareholders to harm the interests of the Company's creditors;

(5) to assume any other obligations as provided by laws, administrative regulations, the securities regulatory rules of the place where the Company's stocks are listed, and these Articles of Association.

If a shareholder of the Company abuses his/her rights and causes losses to the Company or other shareholders, he/she is liable for compensation in accordance with the laws. If a shareholder of the Company abuses the independent status of the Company as a legal person and the limited liability of shareholders to evade debts and seriously harms the interests of the Company's creditors, he/she is liable for joint and several liability for the Company's debts.

Controlling shareholder(s) and actual controller(s)

The controlling shareholder(s) and actual controller(s) of the Company exercise their rights and assume their obligations in accordance with laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed, and safeguard the interests of the Company.

The controlling shareholder(s) and actual controller(s) of the Company shall comply with the following provisions:

(1) to exercise shareholder rights in accordance with the laws, and not to abuse their controlling power or use affiliated (connected) relationships to harm the legitimate rights and interests of the Company or other shareholders;

(2) to strictly fulfill the public representations and various commitments made, and not to change or be exempted from them without authorization;

(3) to strictly fulfill the obligation of information disclosure in accordance with relevant regulations, actively cooperate with the Company in information

disclosure, and promptly inform the Company of any major events that have occurred or are likely to occur;

(4) not to appropriate the Company's funds in any way;

(5) not to force, instruct, or demand the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(6) not to seek benefits by using the Company's unpublished material information, not to disclose the Company's unpublished material information in any way, and not to participate in any illegal activities or violations such as insider trading, short-term trading, and market manipulation;

(7) not to harm the legitimate rights and interests of the Company and other shareholders through any means such as unfair affiliated (connected) transactions, profit distribution, asset restructuring, and external investment;

(8) to ensure the integrity of the Company's assets, the independence of personnel, finance, corporation, and business, and not to affect the independence of the Company in any way;

(9) to comply any other provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

If the controlling shareholders or actual controllers of the Company do not serve as directors of the Company but actually handle the Company's affairs, the provisions of these Articles of Association regarding the directors' duties of fiduciary and diligence apply.

If the controlling shareholders or actual controllers of the Company instruct the directors or senior management members to engage in acts that harm the interests of the Company or shareholders, they shall bear joint and several liability with such directors and senior management members.

When the controlling shareholders or actual controllers pledge the Company's shares they hold or actually control, they shall maintain their controlling power and the stability of the production and operation of the Company.

When the controlling shareholders or the actual controllers transfer the shares they hold in the Company, they are required to comply with the restrictive provisions on share transfer under the laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed, as well as the commitments they have made regarding restriction on share transfer.

General provisions on the shareholders' meeting

The Company's shareholders' meeting is composed of all shareholders. The shareholders' meeting is the Company's authority and exercise the following powers in accordance with the laws:

(1) to elect and replace directors who are not employee representatives and determine matters concerning the remuneration of directors;

(2) to review and approve the reports of the board of directors;

(3) to review and approve the Company's profit distribution plan and loss-making compensation plan;

(4) to resolve on the increase or decrease of the Company's registered capital;

(5) to resolve on the issuance of corporate bonds;

(6) to resolve on the Company's merger, division, dissolution, liquidation or change of the Company's form;

(7) to alter these Articles of Association;

(8) to resolve on the engagement or dismissal of the accounting firm that undertakes the Company's audit business;

(9) to review and approve any guarantee that must be reviewed by the shareholders' meeting as stipulated in these Articles of Association;

(10) to review any purchase or disposal by the Company of significant assets exceeding 30% of the Company's most recently audited total assets within one year;

(11) to review and approve any matters regarding the change of the use of proceeds raised;

(12) to review the equity incentive plan and the employee shareholding plan;

(13) to review any other matters that have to be determined by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

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

The following external guarantees of the Company must be reviewed and approved by the shareholders' meeting:

(1) any guarantee provided by the Company and its holding subsidiaries if the total amount of external guarantees exceeds 50% of the audited net assets of the immediate prior period;

(2) any guarantee provided by the Company if the total amount of external guarantees exceeds 30% of the audited total assets of the immediate prior period;

(3) any guarantees that the amount of the guarantees provided by the Company to others within one year exceeds 30% of the audited total assets of the immediate prior period;

(4) any guarantees provided for the guaranteed party with a debt-to-asset ratio exceeding 70%;

(5) any single guarantee with the amount exceeding 10% of the audited net assets of the immediate prior period;

(6) any guarantees provided to shareholders, actual controllers and their affiliated (connected) parties;

(7) any other guarantee that is required to be reviewed at the shareholders' meeting as stipulated by laws, regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

If the Company provides any guarantee for any affiliated (connected) parties, in addition to being reviewed and approved by the majority of all non-affiliated directors, the guarantee also requires to be reviewed and approved by more than two-thirds of the non-affiliated directors attending the board meeting and a resolution has to be passed, and the matter is required to be submitted to the shareholders' meeting for review. If the Company provides any guarantee for a controlling shareholder, an actual controller and their affiliated (connected) parties, the controlling shareholder, the actual controller and their affiliated (connected) parties are required to provide counter — guarantees.

The shareholders' meeting is divided into the annual shareholders' meeting and the extraordinary general meeting of shareholders. The annual shareholders' meeting is held once a year and held within six months after the end of the previous financial year.

In case of any of the following circumstances, the Company shall hold an extraordinary general meeting of shareholders within two months from the date on which the following event occurs:

(1) when the number of directors is less than eight;

(2) when the accumulated losses of the Company reach one-third of its total share capital;

(3) when the shareholders holding individually or in aggregate more than 10% of the Company's shares so request;

(4) when the board of directors deems it necessary;

(5) when the audit committee proposes to hold the meeting;

(6) any other circumstances stipulated by laws, administrative regulations, departmental rules or these Articles of Association.

Convening of shareholders' meeting

The board of directors shall convene the shareholders' meeting within the prescribed time limit.

With the consent of more than half of all independent directors, the independent directors have the power to propose to the board of directors to convene an extraordinary general meeting of shareholders. Regarding the proposal of independent directors to convene an extraordinary general meeting of shareholders, the board of directors shall, in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the provisions of these Articles of Association, issue a written reply on whether to agree or disagree to convene an extraordinary general meeting of shareholders within ten days upon the receipt of the proposal. If the board of directors agrees to convene the extraordinary general meeting of shareholders, it shall issue a notice to convene the shareholders' meeting within five days after the board resolution is passed; if the board of directors disagrees to convene the extraordinary general meeting of shareholders, it shall state the reasons and make an announcement.

The audit committee has the power to propose to the board of directors to convene an extraordinary general meeting of shareholders, and such proposal has to be submitted to the board of directors in writing. The board of directors shall, in accordance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the provisions of these Articles of Association, provide a written reply on whether to agree or disagree to convene an extraordinary general meeting of shareholders within ten days upon the receipt of the proposal.

If the board of directors agrees to convene the extraordinary general meeting of shareholders, it shall issue a notice to convene the shareholders' meeting within five days after the board resolution is passed. Any changes to the original proposal in the notice have to be approved by the audit committee.

If the board of directors disagrees to convene an extraordinary general meeting of shareholders or fails to issue any reply within ten days upon the receipt of the proposal, the board of directors is deemed to have failed to perform or refuses to perform its duty of convening the shareholders' meeting, and the audit committee may convene and preside over the meeting on its own.

Shareholders who individually or jointly hold more than 10% of the Company's shares have the right to request the board of directors to convene an extraordinary general meeting of shareholders, and such request has to be submitted to the board of directors in writing. The board of directors shall, in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the provisions of these Articles of Association, provide a written reply on whether to agree or disagree to convene the extraordinary general meeting of shareholders within ten days upon the receipt of the request.

If the board of directors agrees to convene the extraordinary general meeting of shareholders, it shall issue a notice to convene the shareholders' meeting within five days after the board resolution is passed. Any changes to the original request in the notice have to seek the approval by the relevant shareholders.

If the board of directors disagrees to convene the extraordinary general meeting of shareholders or fails to issue a reply feedback within ten days upon the receipt of the request, shareholders who individually or jointly hold more than 10% of the Company's shares have the right to propose to the audit committee to convene an extraordinary general meeting of shareholders, and such request has to be submitted to the audit committee in writing.

If the audit committee agrees to convene the extraordinary general meeting of shareholders, it shall issue a notice to convene the shareholders' meeting within five days upon the receipt of the request. Any changes to the original request in the notice have to seek the approval by the relevant shareholders.

If the audit committee fails to issue the notice of the shareholders' meeting within the prescribed time limit, the audit committee is deemed to have failed to convene and preside over the shareholders' meeting. Shareholders who individually or jointly hold more than 10% of the Company's shares continuously for more than 90 days may convene and preside over the meeting on their own.

If the audit committee or shareholders decide to convene the shareholders' meeting on their own, they shall notify the board of directors in writing and file a record with the stock exchange at the same time.

When issuing the notice of the shareholders' meeting and the announcement of the resolution of the shareholders' meeting, the audit committee or the shareholder(s) who convene(s) the meeting shall submit relevant supporting documents to the stock exchange.

Before the announcement of the resolution of the shareholders' meeting, the shareholding ratio of the shareholder(s) who convene(s) the meeting may not be less than 10%.

Proposals and Notices for the General Meetings of Shareholders

The content of the proposals should fall within the ambit of authority of the shareholders' meeting, have clear agenda and specific matters for resolutions, and comply with relevant provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

When the Company convenes a general meeting of shareholders, the board of directors, the audit committee, and shareholders who individually or jointly hold more than 1% of the Company's shares have the right to submit proposals to the Company.

Shareholders who individually or jointly hold more than 1% of the Company's shares may submit a temporary proposal in writing to the convener ten days before the convening of the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within two days upon the receipt of the proposal to announce the content of the temporary proposal, and submit the temporary proposal to the shareholders' meeting for consideration, except for any temporary proposal which violates the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, or the provisions of these Articles of Association, or which falls outside the ambit of authority of the shareholders' meeting.

Except as otherwise provided in the preceding paragraph, once the notice and the announcement of the shareholders' meeting are issued, the convener is not allowed to modify the proposals set out in the notice of the shareholders' meeting or add new proposals.

Any proposal which is not set out in the notice of the shareholders' meeting or not in compliance with the provisions of these Articles of Association may not be put to vote and resolved at the shareholders' meeting.

The convener will notify each shareholder in writing (including announcements) 20 days before an annual shareholders' meeting, and the notice of an extraordinary general meeting of shareholders will be given to each shareholder by way of announcement 15 days before the meeting.

The notice of a shareholders' meeting includes the following particulars:

(1) the time, place and duration of the meeting;

(2) the matters and proposals to be submitted to the meeting for consideration;

(3) a clear written statement indicating that all shareholders have the right to attend the shareholders' meeting and may appoint a proxy in writing to attend the meeting and vote on their behalf. The shareholder proxy does not have to be a shareholder of the Company;

(4) the record date for the shareholders to determine the eligibility to attend the shareholders' meeting;

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

(6) the time and procedures for voting online or by other means;

(7) any other contents required by relevant announcement format guidelines of the stock exchange and the securities regulatory rules of the place where the Company's shares are listed.

If the shareholders' meeting is held online or by other means, the notice of the shareholders' meeting is required to clearly state the time and procedures for voting online or by other means.

Holding of the shareholders' meeting

All shareholders registered on the record date or their proxies are entitled to attend the shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Shareholders may attend the shareholders' meeting in person or appoint proxies to attend and vote on their behalf. The proxy does not need to be a shareholder of the Company. Shareholders have the right to speak and vote at the shareholders' meeting, unless such shareholders are required by applicable laws, administrative regulations, departmental rules, regulatory documents and the securities regulatory rules of the place where the Company's shares are listed to abstain from voting on a specific matters.

A shareholders' meeting is presided over by the chairman of the board. If the chairman is unable or fails to perform his/her duties, the meeting will be presided over by the vice-chairman (if there are two or more vice-chairmen in the Company, the vice-chairman jointly recommended by more than half of the directors or such vice-chairman designated by the Chairman). If the vice-chairman is unable or fails to perform his/her duties, the meeting will be presided over by a director jointly recommended by more than half of the directors.

The shareholders' meeting convened by the audit committee on its own initiative is 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 will be presided over by an audit committee member jointly recommended by more than half of the audit committee members.

The shareholders' meeting convened by shareholders on their own initiative is presided over by the convener or a representative recommended by the convener.

If the chairperson if the meeting violates the rules of procedure and makes it impossible for the shareholders' meeting to proceed, with the consent of more than half of the shareholders with voting rights present at the shareholders' meeting, the shareholders' meeting may elect a person to act as the meeting chairperson to continue the meeting.

The shareholders' meeting should have meeting minutes which are taken by the secretary of the board.

The meeting minutes record the following contents:

(1) the time, place, agenda of the meeting and the name of the convener;

(2) the name of the chairperson of the meeting and the directors and senior management members in attendance of the meeting;

(3) the number of shareholders and proxies attending the meeting, the total number of shares with voting rights they hold and the proportion of such shares to the total number of the Company's shares;

(4) the consideration process, key points of speeches and voting results for each proposal;

(5) the questions or suggestions raised by shareholders and the corresponding replies or explanations;

(6) the names of the lawyer, the vote–counter(s) and the scrutineer(s);

(7) any other contents that should be recorded in the meeting minutes as stipulated by the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Voting and Resolutions of the Shareholders' Meeting

Resolutions of the shareholders' meeting are categorized into ordinary resolutions and special resolutions.

Passing an ordinary resolution at the shareholders' meeting requires more than half of the votes being cast by the shareholders attending the shareholders' meeting.

Passing a special resolution at the shareholders' meeting requires more than two-thirds of the votes being cast by the shareholders attending the shareholders' meeting.

The following matters require an ordinary resolution to be passed at a shareholders' meeting:

(1) the work report of the board of directors;

(2) the profit distribution plan and loss-making compensation plan formulated by the board of directors;

(3) appointment and removal of the members of the board of directors, their remuneration and payment methods;

(4) resolution on the engagement and dismissal of an accounting firm by the Company and the determination of the audit fees of the accounting firm;

(5) any other matters except those that require special resolution to be passed as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

The following matters require a special resolution to be passed at a shareholders' meeting:

(1) increase or decrease of the company's registered capital;

(2) division, spin-off, merger, dissolution and liquidation of the Company;

(3) alteration of these Articles of Association;

(4) purchase or sale of the Company's substantial assets or provision of guarantees to others within one year with the amount exceeding 30% of the Company's most recently audited total assets;

(5) any equity incentive plan;

(6) any other matters that are stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association, and that are determined by an ordinary resolution of the shareholders' meeting as having a significant impact on the Company and requiring approval by a special resolution.

If the Company's issued share capital comprises different classes of shares, any changes to the rights attached to the class shares must be approved by more than two-thirds of the votes of the shareholders present at the shareholders' meeting of that class of shares and having the right to vote.

Shareholders exercise their voting rights based on the number of voting shares they hold, and each share shall have one vote.

When a material matter affecting the interests of small and medium investors is considered at the shareholders' meeting, the votes of small and medium investors have to be counted separately. The results of the separate vote counting should be publicly disclosed in a timely manner.

The Company's shares held by the Company itself have no voting rights, and such shares are not counted in the total number of voting shares present at the shareholders' meeting.

If a shareholder violates the provisions of Paragraph 1 and Paragraph 2 of Article 63 of the Securities Law when purchasing the Company's voting shares, the voting rights under the shares which exceed the prescribed proportion are not allowed to be exercised within 36 months after the purchase, and are not counted in the total number of voting shares present at the shareholders' meeting.

The Company's board of directors, independent directors, shareholders holding more than 1% of the voting shares, or investor protection bodies established in accordance with laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed may publicly solicit shareholders' voting rights. When soliciting shareholders' voting rights, information such as the specific voting intentions shall be fully disclosed to the solicited persons. Soliciting shareholders' voting rights with consideration or any consideration in disguised form is prohibited. Except for legal requirements, the Company is not allowed to set a minimum shareholding ratio limit for the solicitation of voting rights.

The term "shareholders" mentioned above includes shareholders who attend the shareholders' meeting by proxies.

DIRECTORS AND THE BOARD OF DIRECTORS

General Provisions on Directors

The Company's directors are natural persons. Any person under the following circumstances is not allowed to serve as a director of the Company:

(1) those who have no capacity for civil conduct or have limited capacity for civil conduct;

(2) those who have been sentenced to criminal penalty for embezzlement, bribery, encroachment or misappropriation of property, or disruption of the socialist market economic order, or have been deprived of political rights due to committing crime, and the expiration of the penalty period has not exceeded five years; for those who have been declared suspended sentence, the period since the expiration of the suspended sentence has not exceeded two years;

(3) those who have served as directors, factory managers, or managers of a company or an enterprise which has bankrupted and been liquidated and are personally liable for the bankruptcy of such company or enterprise, and the period since the completion of the bankruptcy and liquidation of such company or enterprise has not exceeded three years;

(4) those who have served as the legal representatives of a company or an enterprise whose business license has been revoked or which has been ordered to close down due to illegal acts and are personally liable for such, and the period since such company or enterprise had its business license revoked or was ordered to close down has not exceeded three years;

(5) those who have large amount of debts that are overdue and have been listed as judgment debtors by the people's court;

(6) those who have been subject to a ban from the securities market by the CSRC or any other competent securities regulatory authorities and the period has not expired;

(7) those who have been publicly announced by a stock exchange as unfit to serve as, among others, directors or senior management members of a listed company and the period has not expired;

(8) any other circumstances stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, or departmental rules.

If a director is elected or appointed in violation of the above — mentioned provisions, such election, appointment, or engagement shall be invalid. If a director falls under the circumstances described in this Article during his term of office, the Company shall remove him/her from his/her position and terminate his/her duties.

Directors are elected or replaced by the shareholders' meeting, and the shareholders' meeting may remove them from their positions before the expiration of their terms of office. The term of office of a director is three years. Subject to compliance with laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the Company's shares are listed, a director may be re-elected upon the expiration of his term.

The term of office of a director is calculated from the date of his/her assumption of office until the expiration of the term of the current board of directors. If a director's term of office has expired and a replaced director has not been elected in a timely manner, the original director shall still perform his duties as a director in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association of the Company before the newly-elected director assumes office.

A director may concurrently serve as a senior management member. However, the total number of directors who concurrently hold senior management positions and directors who are employee representatives may not exceed half of the total number of directors of the Company.

The members of the board of directors of the Company include a director who is an employee representative democratically elected by the employees of the Company through an employees' representative meeting, a staff meeting, or by any other means, and such appointment does not need to be submitted to the shareholders' meeting for consideration.

Directors shall abide by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association of the Company, and have a duty of loyalty to the Company. They shall take measures to avoid conflict of interests between them and the Company and is not allowed to abuse their positions to seek improper benefits.

Directors shall abide by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association of the Company, and have a duty of diligence to the Company. When performing their duties, they shall exercise the reasonable care that a manager usually should have for the maximum interests of the Company.

The Board of Directors

The Company has a board of directors, which comprises eleven directors, including four independent directors (at least one professional accounting practitioner) and one director who is an employee representative.

The board of directors has one chairman and three vice-chairmen. The chairman and vice-chairmen are elected by the board of directors by a majority of affirmative vote of all directors. Directors may comprise executive directors, non-executive directors, and independent directors (the meaning of "**independent directors**" is the same as "independent non-executive directors" as defined in the "Hong Kong Listing Rules"). Non-executive directors refer to the directors who do not hold management positions in the Company, and independent directors refer to those parties who meet the requirements of the regulatory rules of the stock exchange where the Company's shares are listed.

The board of directors exercises the following powers:

(1) to convene a shareholders' meeting and report their work to the shareholders' meeting;

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

(3) to determine the Company's business plans and investment plans;

(4) to formulate the Company's profit distribution plan and loss-making compensation plan;

(5) to formulate plans for the Company to increase or decrease its registered capital, issue bonds or other securities, and seek listing status;

(6) to propose plans for the Company's substantial acquisitions, repurchase of the Company's shares, mergers, divisions, dissolution, and conversion of the Company's status;

(7) to decide on such matters as the Company's external investment, acquisition and disposal of assets, asset mortgages, external guarantees, entrusted wealth management, affiliated (connected) transactions, and external donations within the ambit of the authorization granted by the shareholders' meeting,;

(8) to determine the establishment of the Company's internal management bodies;

(9) to decide on the appointment or dismissal of the Company's president (general manager), co-president (co-general manager), board secretary, and any other senior management members, and determine their remuneration, rewards, and punishments; to decide on the appointment or dismissal of senior management members such as the Company's vice-presidents and the officer in charge of finance based on the nominations of the president (general manager) and co-president (co-general manager), and determine their remuneration, rewards, and punishments;

(10) to formulate the Company's fundamental management systems;

(11) to formulate a plan for the alteration of these Articles of Association;

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

(13) to propose to the shareholders' meeting to engage or replace the accounting firm for the Company's audit;

(14) to listen to the work reports of the Company's president (general manager) and co-president (co-general manager) and inspect their work;

(15) to exercise any other powers granted by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, these Articles of Association, or the shareholders' meeting.

Matters beyond the ambit of the authorization grant by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The chairman of the board exercises the following powers:

(1) to preside over the shareholders' meeting and convene and preside over the board of directors' meetings;

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

(3) to exercise any other powers granted by the board of directors.

The vice-chairperson(s) of the Company assists the chairperson in his/her work. If the chairperson is unable or fails to perform his/her duties, the vice-chairperson shall perform such duties (if the Company has two or more than two vice-chairpersons, the vice-chairperson who is jointly recommended by more than half of the directors shall perform the duties, or the chairperson may designate one of the vice-chairpersons to perform the duties). If the vice-chairperson is unable or fails to perform his/her duties, a director jointly recommended by more than half of the directors shall perform the duties.

The board of directors shall hold at least four meetings each year, which shall be convened by the chairperson. All directors shall be notified in writing at least 14 days before a regular meetings.

Shareholders representing more than one - tenth of the voting rights, or more than one-third of the directors, or the audit committee may propose to hold an extraordinary board meeting. The chairperson shall convene and preside over the board meeting within 10 days upon the receipt of the proposal.

A board meeting may not be held until more than half of the directors are present. Resolutions of the board of directors must be passed by more than half of all the directors. If there are any other provisions in these Articles of Association, relevant laws, regulations, regulatory documents, or the securities regulatory rules of the place where the Company's shares are listed, such provisions prevail.

Each director has one vote when voting on board resolutions.

Independent Directors

Independent directors shall earnestly perform their duties in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association. They shall participate in decision – making process of, perform supervision and provide check and balance on, and give professional advice to, the board of directors, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders.

To serve as an independent director of the Company, the party must meet the following conditions:

(1) to be qualified to serve as a director of a listed company in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and any other relevant provisions;

(2) to satisfy the independence requirements stipulated in these Articles of Association;

(3) to have a basic knowledge of the operation of a listed company and be familiar with relevant laws, regulations, and rules;

(4) to have more than five years of work experience in law, accounting, or economics, which is necessary for performing the duties of an independent director;

(5) to have good personal moral character and no major negative records such as default;

(6) to meet any other conditions stipulated in laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

As members of the board of directors, independent directors owe a duty of loyalty and diligence to the Company and all shareholders, and shall prudently perform the following duties:

(1) to participate in the decision-making process of the board of directors and express clear opinions on the matters under discussion;

(2) to supervise any potential substantial conflicts of interest between the Company and its controlling shareholders, actual controllers, directors, and senior management to protect the legitimate rights and interests of minority shareholders;

(3) to provide professional and objective suggestions for the Company's business development to promote the improvement of the quality of the board of directors' decision-making;

(4) to perform any other duties stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

Independent directors exercise the following special powers:

(1) to independently engage intermediaries to audit, provide consultation on or verify specific matters of the Company;

(2) to propose to the board of directors to convene an extraordinary general meeting of shareholders;

(3) to propose to convene a board meeting;

(4) to legally solicit shareholders' rights from shareholders publicly;

(5) to express independent opinions on matters that may harm the interests of the Company or minority shareholders;

(6) to exercise any other powers stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

When independent directors exercise the powers set out in the first to third sub-paragraphs above, they shall obtain the consent of more than half of all independent directors. When independent directors exercise the powers set out above, the Company shall disclose the information in a timely manner. If the above powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Special committees of the board of directors

The Company's board of directors shall establish an audit committee to exercise the powers of the board of supervisors stipulated in the Company Law and any other powers stipulated by the securities regulatory rules of the place where the Company's shares are listed.

The audit committee comprises five members who are the directors not serving as senior management members of the Company, including three independent directors. The convener is an professional accounting practitioner among the independent directors.

The audit committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control. The following matters should be submitted to the board of directors for consideration after obtaining the consent from more than half of all members of the audit committee:

(1) the disclosure of the financial information in the financial and accounting reports and the periodic reports, and the internal control evaluation report;

(2) engagement or dismissal of the accounting firm that undertakes the Company's audit;

(3) appointment or dismissal of the officer in charge of the Company's finance;

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

(5) any other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

The Company's board of directors shall establish other special committees, such as the Strategy and ESG (Environment, Social and Governance) Committee, Nomination Committee, and Compensation and Appraisal Committee. These committees perform their duties in accordance with the securities regulatory rules of the place where the Company's shares are listed, these Articles of Association, and the authorization of the board of directors. Proposals from the special committees shall be submitted to the board of directors for consideration and decision. The working procedures of the special committees are formulated by the board of directors.

The Strategy and ESG Committee comprises three members, and the chairman of the Company serves as the convener.

The main duties and powers of the Strategy and ESG Committee are as follows:

(1) to conduct research and provide suggestions on the Company's medium- and long- term development strategic plan;

(2) to conduct research and provide suggestions on substantial investment and financing plans that require the approval of the board of directors as stipulated in these Articles of Association;

(3) to conduct research and provide suggestions on major capital operation and asset operation projects that require the approval of the board of directors as stipulated in these Articles of Association;

(4) to conduct research on the Company's ESG strategy, goals, and major issues, identify ESG risks and opportunities related to the Company, review the Company's ESG-related reports, and provide suggestions;

(5) to conduct research and provide suggestions on other major issues affecting the Company's development;

(6) to inspect the implementation of the above matters;

(7) to conduct any other matters authorized by the board of directors and any other matters indicated in relevant laws, regulations, securities regulatory rules of the place where the Company's shares are listed, and regulatory documents.

The Nomination Committee comprises five members, including three independent directors. An independent director serves as the convener.

The Nomination Committee is responsible for formulating the selection criteria and procedures for directors and senior management members, selecting and reviewing candidates for directors and senior management members and their qualifications, and providing recommendations to the board of directors on the following matters:

(1) to nominate, appoint or remove any director;

(2) to appoint or dismiss any senior management member;

(3) to conduct any other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

The Remuneration and Appraisal Committee comprises five members, including three independent directors. An independent director serves as the convener.

The Remuneration and Appraisal Committee is responsible for formulating the appraisal criteria for directors and senior management members and conducting appraisals, and formulating and reviewing the remuneration policies and plans for directors and senior management members, including the remuneration determination mechanism, decision-making process, payment, and claw-back arrangements, and provides recommendations to the board of directors on the following matters:

(1) the remuneration of directors and senior management members;

(2) the formulation or amendment of equity incentive plans and employee shareholding plans, and the conditions that the incentive recipients must fulfil for the grant and exercise of their rights;

(3) the arrangement of shareholding plans for directors and senior management members in the proposed spin-off subsidiaries;

(4) any other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

SENIOR MANAGEMENT

The Company has one president (general manager) and one co-president (co-general manager), and the decisions on their appointments and dismissals rest with the board of directors.

The Company has vice-presidents (deputy general managers) and an officer in charge of finance, and the decisions on their appointments and dismissals rest with the board of directors.

The provisions herein regarding the circumstances under which an individual is not allowed to serve as a director and the management system for resignation and removal also apply to senior management members.

The provisions herein regarding the duties of fiduciary and diligence of directors also apply to senior management members.

Any individual who holds administrative positions other than director or supervisor in the Company's controlling shareholder entity may not serve as a senior management member of the Company.

The Company's senior management members receive their remuneration only from the Company, and the controlling shareholder may not pay any remuneration to them on behalf of the Company.

The term of office of the president (general manager) and co-presidents (co-general managers) is three years each. They may be re-appointed upon expiration of their terms of office.

The president (general manager) and co-president (co-general manager) is responsible to the board of directors and exercise the following duties and functions:

(1) to be in charge of the Company's production, operation, and management, organize the implementation of the resolutions of the board of directors, and report their work to the board of directors;

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

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

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

(5) to formulate the Company's detailed rules and regulations;

(6) to make recommendation to the board of directors on the appointment or dismissal of the Company's vice presidents (deputy general managers) and the officer in charge of finance;

(7) to decide on the appointment or dismissal of any management members other than those whose appointments or dismissals rest with the board of directors;

(8) to perform any other duties and functions stipulated by the securities regulatory rules of the place where the Company's shares are listed, these Articles of Association or the board of directors.

The president (general manager) and the co-presidents (co-general managers) sit in on the board of directors' meetings.

The Company has a secretary to the board of directors, who is responsible for, among others. the preparation of the Company's shareholders' meetings and the board meetings, document storage, management of the Company's shareholders' information, and handling of information disclosure.

If a senior management member causes damage to others while performing their duties for the Company, the Company is liable for compensation; if such the senior management member is found to have acted knowingly and willfully or with gross negligence, he/she is also liable for compensation.

If a senior management member violates the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the provisions of these Articles of Association while performing his/her duties for the Company and cause losses to the Company, he/she is liable for compensation.

The Company's senior management members shall faithfully perform their duties and safeguard the maximum interests of the Company and the shareholders as a whole.

If a senior management member of the Company fails to perform his/her duties faithfully or breaches the duty of integrity and cause damage to the interests of the Company and the public shareholders, he/she is liable for compensation in accordance with the law.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Financial and accounting systems

The Company is required to formulate its financial and accounting systems in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the requirements of relevant state departments.

The Company is required to submit and disclose its annual reports to the local offices of the CSRC and the stock exchange where the Company's shares are listed within 4 months after the end of each financial year, and submit and disclose its interim reports to the local offices of the CSRC and the stock exchange where the Company's shares are listed within 2 months after the end of the first half of each financial year.

The above-mentioned annual reports and interim reports are prepared in accordance with relevant laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed.

In addition to the statutory accounting books, the Company may not keep any separate accounting books. The Company's funds are not allowed to be deposited in any accounts opened in the name of any individual.

When distributing the after-tax profits of the current year, the Company shall allocate 10% of the profits to the Company's statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund reaches 50% or more of the Company's registered capital, no further allocation is required.

If the Company's statutory reserve fund is insufficient to make up for the losses of previous years, the current year's profits are used to make up for the losses before allocating them to the statutory reserve fund in accordance with the provisions of the previous paragraph.

After the Company allocates the after-tax profits to the statutory reserve fund, upon the resolution of the shareholders' meeting, it may also allocate the after-tax profits to other surplus reserve.

After the Company uses the after-tax profits to make up for the losses and allocates them to the reserve funds, the remaining after-tax profits may be distributed in proportion to the shares held by the shareholders, except as otherwise provided in these Articles of Association.

If the shareholders' meeting distributes profits to the shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the law to the Company; if losses are caused to the Company, the shareholders and the responsible directors and senior management member are liable for compensation.

The Company's shares held by the Company may not be used for profit distribution.

The aim of the Company's cash dividend policy is to maintain a continuous and stable profit distribution. For the profit distribution of the Company, emphasis should be placed on bringing reasonable investment returns to the investors, but the amount of distribution may not exceed the amount of the cumulative distributable profits and the distribution may not harm the Company's continuous operation as a going concern.

If the audit report of the Company for latest year contains modified opinion or an unqualified opinion with a paragraph on material uncertainties related to going concern, the Company is allowed not to distribute profits.

The Company's reserve funds are used to make up for the Company's losses, expand the Company's production and operation, or increase the Company's registered capital.

When using the reserve funds to make up for the Company's losses, other surplus reserve fund and the statutory reserve fund shall be used first; if they are still insufficient, the capital reserve fund may be used in accordance with the regulations.

If the statutory reserve fund is converted to increase the capital, the balance in such reserve should be no less than 25% of the Company's registered capital before the conversion.

Internal Audit

The Company shall implement an internal audit system, clarifying its leadership system, its functions and powers, personnel deployment, its funding, use of the audit results, and accountability for the internal audit work.

The Company's internal audit system shall be implemented after being approved by the board of directors and disclosed to the public.

The Company's internal audit body shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit body is responsible to the board of directors.

Engagement of an accounting firm

The Company shall engage an accounting firm that complies with the Securities Law and the securities regulatory rules of the place where the Company's shares are listed to provide auditing of accounting statements, verification of net assets, and any other related consulting services. The engagement term shall be one year and may be renewed.

The Company may, by an ordinary resolution passed at a shareholders' meeting, engage or dismiss an accounting firm. The board of directors may not appoint any accounting firm before a decision is made by the shareholders' meeting.

The Company shall ensure the provision of true and complete accounting vouchers, accounting books, financial and accounting reports, and any other accounting materials to the engaged accounting firm, and is not allowed to withhold or conceal such documents, or make any false reports.

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

When the Company dismisses or decides not to renew the engagement of an accounting firm, it shall notify the accounting firm thirty days in advance. When the shareholders' meeting of the Company votes on the dismissal of the accounting firm, the accounting firm shall be allowed to express its opinions. If the accounting firm resigns, it shall explain to the shareholders' meeting whether there are any improper circumstances of the Company.

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

Merger, division, capital increase, and capital reduction

The Company may effect a merger by way of absorption or formation of a new company.

When a company absorbs another company, it is an absorption merger, and the absorbed company is dissolved. When two or more companies merge to form a new company, it is a merger by formation of new company, and all the merging parties are dissolved.

If the consideration paid by the Company for a merger does not exceed 10% of the Company’s net assets, the merger may be carried out without a resolution of the shareholders’ meeting, unless otherwise provided in these Articles of Association.

If the Company effects a merger in accordance with the preceding paragraph without a resolution of the shareholders’ meeting, the merger is subject to a resolution of the board of directors.

When the Company is divided, its property is be divided accordingly.

When the Company is divided, it shall prepare a balance sheet and a detailed list of property. The Company shall notify its creditors within ten days, and make an announcement on the designated media or on the National Enterprise Credit Information Publicity System and the website of the Hong Kong Stock Exchange within thirty days, from the date of approval of the resolution on division. If the securities regulatory rules of the place where the Company’s shares are listed provide otherwise, the relevant provisions must also be complied with.

When the Company reduces its registered capital, it shall prepare a balance sheet and a detailed list of property.

The Company shall notify its creditors within ten days, and make an announcement on the designated media or on the National Enterprise Credit Information Publicity System and the website of the Hong Kong Stock Exchange within thirty days, from the date of the resolution of the shareholders’ meeting on reducing the registered capital. Creditors who receive the notice have the right to require the Company to settle its debts or provide corresponding guarantees within thirty days from the date of receiving the notice. Creditors who do not receive the notice have the right to do so within forty-five days from the date of the announcement.

When the Company reduces its registered capital, it shall reduce the amount of capital contributions or shares accordingly in proportion to the shares held by the shareholders, unless otherwise provided by laws, the securities regulatory rules of the place where the Company’s shares are listed, or these Articles of Association.

If the Company reduces its registered capital in violation of the Company Law and other relevant regulations, the shareholders shall return the funds they have received, and the reduced amount of the shareholders’ capital contributions should be restored to the original amount. If losses are caused to the Company, the shareholders and the responsible directors and senior management member(s) are liable for compensation.

When the Company issues new shares to increase its registered capital, the shareholders do not have the pre-emptive rights, unless otherwise provided in these Articles of Association or decided by a resolution of the shareholders’ meeting that the shareholders should have the pre-emptive rights.

Dissolution and Liquidation

The Company may be dissolved for the following reasons:

(1) The business term stipulated in these Articles of Association expires or other dissolution events stipulated in these Articles of Association occur;

(2) The Company is dissolved by a resolution of the shareholders' meeting;

(3) The Company has to be dissolved as a result of merger or division;

(4) The Company's business license is revoked, or the Company is ordered to close or deregistered in accordance with the laws;

(5) If the Company encounters serious problems in its business operation and management, and continuing its existence will cause significant losses to the shareholders' interests and such problems cannot be resolved through any other means, the shareholders holding more than 10% of the voting rights of the Company may request the people's court to dissolve the Company.

When the Company encounters a dissolution event set out in the preceding paragraph, it shall inform the public of the dissolution event through the National Enterprise Credit Information Publicity System within ten days.

If the Company is under such circumstance as set out in sub-paragraphs (1) and (2) above and has not distributed its property to the shareholders, it may continue to exist by alteration of these Articles of Association or by a resolution of the shareholders' meeting.

To alter these Articles of Association or make a resolution by the shareholders' meeting in accordance with the preceding paragraph, it must be passed by more than two-thirds of the vote cast by the shareholders with voting rights present at the shareholders' meeting.

If the Company is dissolved due to the reasons set out in sub-paragraphs (1), (2), (4) and (5) above, the Company has to be liquidated. The directors are the liquidation obligors of the Company and shall form a liquidation group for liquidation within fifteen days from the date when the dissolution event occurs.

The liquidation group comprises the directors, unless otherwise provided in these Articles of Association, the securities regulatory rules of the place where the Company's shares are listed, or a resolution of the shareholders' meeting to select other parties.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner, which causes losses to the Company or creditors, they are liable for compensation.

The liquidation group shall notify the creditors within ten days, and make an announcement in the designated media or on the National Enterprise Credit Information Publicity System within sixty days, from the date of its formation. Creditors are required to declare their claims to the liquidation group within thirty days from the date of receiving the notice, and those creditors who have not received the notice may declare their claims within forty-five days from the date of the announcement.

When creditors declare their claims, they shall state the relevant matters of the claims and provide supporting materials. The liquidation group shall register the claims.

During the period that the creditors are claiming their rights, the liquidation team shall not make any payment to creditors.

After completion of the asset inventory for the Company, and preparation of the statement of assets and liabilities and the inventory of property, the liquidation team shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation.

After the Company's property has been used to pay the liquidation expenses, employees' salaries, social insurance premiums and statutory compensation, and overdue taxes, and settle the Company's debts, the remaining property is distributed among the shareholders in proportion to their shareholdings.

During the liquidation period, the Company continues to exist, but may not engage in any business activities unrelated to the liquidation.

The Company's property may not be distributed to the shareholders before settlement of its payment obligations in accordance with the provisions of the preceding paragraph.

After completion of the asset inventory for the Company, and preparation of the statement of assets and liabilities and the inventory of property, if the liquidation team finds that the Company's property is insufficient to settle its debts, it shall apply to the people's court for bankruptcy liquidation in accordance with the laws.

After the people's court accepts the bankruptcy application, the liquidation team shall transfer the liquidation matters to the bankruptcy administrator appointed by the people's court.

After the Company's liquidation is completed, the liquidation team shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, and submit it to the Company registration authority to apply for deregistration of the Company.

ALTERATION OF THE ARTICLES OF ASSOCIATION

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

(1) After the Company Law or relevant laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed are revised, any matters set out in these Articles of Association conflict with the provisions of the revised laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;

(2) The occurrence of any changes to the Company results in any inconsistency with the matters set out in these Articles of Association;

(3) The shareholders' meeting decides to alter these Articles of Association.

If the alteration of these Articles of Association, which is passed by the resolution of the shareholders' meeting, is subject to the approval of the competent authority, such alteration is required to be submitted to the competent authority for approval; if the alteration involves the registration of the Company, the change of registration shall be handled in accordance with the laws.

The board of directors shall alter these Articles of Association in accordance with the resolution of the shareholders' meeting on alteration of these Articles of Association and the approval opinion of relevant competent authorities.

If the provisions hereunder to be altered are information required to be disclosed by laws and regulations, such alteration is subject to announcement as required.