This appendix provides investors with an overview of the Articles of Association. Since the following information is a summary, it does not include all information that may be material to investors.

SHARES

Share Issuance

The issuance of the Company's shares shall adhere to the principles of openness, fairness, and impartiality, with each share of the same class having equal rights. Shares of the same class issued at the same time shall have the same issuance terms and price per share, and any entity or individual subscribing for the shares shall pay the same amount per share.

Share Increases, Decreases, and Repurchases

The Company may increase its capital through the following methods, based on operational and development needs, in compliance with laws and regulations, and upon separate resolutions passed by the shareholders' meeting:

(i) Issuance of shares to unspecified recipients;

(ii) Issuance of shares to specific recipients;

(iii) Placement of shares to existing shareholders;

(iv) Distribution of bonus shares to existing shareholders;

(v) Increase in share capital through conversion of provident fund;

(vi) Other methods as stipulated by laws, administrative regulations, approvals from the China Securities Regulatory Commission (hereinafter referred to as the "CSRC"), and the securities regulatory rules of the place where the Company's shares are listed (if applicable).

The issuance of new shares by the Company to increase capital shall be conducted in accordance with the procedures prescribed by relevant national laws and administrative regulations after obtaining approval as stipulated in the Articles of Association.

The Company may reduce its registered capital. The reduction of the Company's registered capital shall be conducted in accordance with the procedures prescribed by the Company Law of the People's Republic of China (《中華人民共和國公司法》) (hereinafter referred to as the "Company Law"), other relevant regulations, and the Articles of Association.

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

(i) Reduce the Company's registered capital;

(ii) Merger with other companies that hold shares of the Company;

(iii) Use of shares for employee stock ownership plans or equity incentives;

(iv) Shareholders request the Company to acquire their shares due to their objection to the shareholders' meeting resolution regarding the Company's merger or division;

(v) Use of shares for the conversion of corporate bonds issued by listed companies that are convertible into shares;

(vi) It is necessary for the Company to maintain its value and protect shareholder interests.

Other than the above circumstances, the Company does not engage in trading its own shares.

The Company may acquire its own shares through one of the following methods: by way of a tender offer; by open and centralized trade on the stock exchanges; by an over-the-counter agreement; or by other methods permitted by laws, administrative regulations, CSRC, and the securities regulatory rules of the place where the Company's shares are listed (if applicable).

If the Company repurchases its own shares under the circumstances specified in (iii), (v), or (vi) above, such repurchase shall be conducted through open and centralized trade.

Any repurchase of shares by the Company through over-the-counter agreement shall be approved in advance by the shareholders' meeting in accordance with the provisions of the Articles of Association. With the prior approval of the shareholders' meeting in the same manner, the Company may rescind or modify the contract already entered into in the aforementioned manner, or waive any of its rights thereunder. The contract for repurchasing shares, as referred to in the preceding paragraph, includes (but not limited to) an agreement to undertake the obligations of repurchasing shares and to obtain the right to repurchase shares. No contracts for the repurchase of the Company's shares or any rights thereunder shall be assigned by the Company

If the Company repurchases its own shares under the circumstances specified in items (i) or (ii) above, such repurchase shall require a resolution passed at the shareholders' meeting. If the Company repurchases its own shares under the circumstances specified in (iii), (v), or (vi) above, it shall do so by passing a resolution at the Board meeting attended by more than two-thirds of the Directors, provided that such action complies with the applicable securities regulatory rules of the place where the Company's shares are listed and is in accordance with either the Articles of Association or an authorization from the shareholders' meeting.

After the Company acquires its own shares in accordance with the above provisions, if it falls under circumstance (i), the shares shall be canceled within ten days from the date of acquisition; if it falls under circumstances (ii) or (iv), the shares shall be transferred or canceled within six months; and if it falls under circumstances (iii), (v), or (vi), the total number of the Company's shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years. The cancelation of the aforementioned shares shall be processed by applying to the original company registration authority for a change in registered capital registration. The total par value of the canceled shares shall be deducted from the Company's registered capital.

Share Transfer

Directors and senior management personnel of the Company shall report their holdings of the Company's shares and any changes therein to the Company. During their term of office as determined at the time of appointment and for six months after its expiration, they shall not transfer more than 25% of the total shares they hold in the Company each year. The shares they hold shall not be transferred within one year from the date the Company's shares are listed for trading. The aforementioned individuals shall not transfer any shares of the Company held by them within six months after their resignation. If the listing rules of the place where the Company's shares are listed impose different restrictions on the transfer of the Company's shares, such rules shall prevail.

If Directors, senior management personnel, or shareholders holding more than 5% of the Company's shares sells the Company's shares or other equity-based securities held by them within six months after purchase, or repurchases them within six months after sale, any income derived therefrom shall belong to the Company, and the Board of the Company shall reclaim such income. However, this does not apply when a securities company holds more than 5% of shares as a result of the outstanding shares (after-sale) acquired under underwriting, or in other circumstances specified by the securities regulatory authority under the State Council. If the listing rules of the place where the Company's shares are listed impose different restrictions on the transfer of the Company's shares, such rules shall prevail.

The shares or other equity-based securities held by Directors, senior management personnel or natural shareholders referred to in the preceding paragraph include shares or other equity-based securities held by their spouses, parents or children and those held using the accounts of others.

If the Board the Company fails to comply with the above provisions, shareholders have the right to request the Board to comply within 30 days. If the Board the Company fails to act within the specified period above, shareholders shall have the right to file a lawsuit directly with the people's court in their own names for the benefit of the Company.

If the Board the Company fails to comply with the above provisions, the responsible Directors shall bear joint and several liability in accordance with the law.

Financial Assistance for Purchase of Shares of the Company

Except as otherwise provided in the Articles of Association, neither the Company nor its subsidiaries shall at any time provide any form of financial assistance to any person purchasing or intending to purchase shares of the Company. The aforementioned purchasers of the Company's shares include persons who have assumed obligations, directly or indirectly, by reason of purchasing the Company's shares. Neither the Company nor its subsidiaries shall at any time provide financial assistance to the aforementioned obligors in any manner for the purpose of reducing or discharging their obligations.

The financial assistance referred to above includes, but not limited to, the following methods:

(i) Gifts;

(ii) Guarantee (including the undertaking of liability or the provision of property by a guarantor to ensure the fulfillment of obligations by an obligor), indemnification (excluding indemnification resulting from the Company's own fault), release, or waiver of rights;

(iii) Providing a loan or entering into a contract where the Company has priority over the other party in fulfilling its obligations, as well as any changes to the parties involved in such loan or contract, and the assignment of rights under such loan or contract;

(iv) Financial assistance provided by the Company in any other manner when it is unable to repay its debts, has no net assets, or there are scenarios leading to a substantial reduction of net assets.

The obligations referred to above include obligations incurred by the obligor as a result of entering into a contract or arrangement (whether or not such contract or arrangement is enforceable and whether undertaken by the obligor personally or jointly with any other person), or in any other manner that alters the obligor's financial position.

The following acts shall not be deemed prohibited by the above provisions if they are approved by the Company's shareholders' meeting or if the Board passes a resolution in accordance with the Articles of Association or the authorization of the shareholders' meeting:

(i) The financial assistance provided by the Company is given in good faith for the benefit of the Company, and such assistance is not primarily intended for the purchase of the Company's shares, or it is an incidental part of an overall plan of the Company;

(ii) The Company distributes its property as dividends in accordance with the law;

(iii) Distribution of dividends in the form of stock;

(iv) Reduction of registered capital, repurchase of shares, adjustment of shareholding structure, etc., in accordance with the Articles of Association;

(v) The Company provides loans for its normal business activities within the scope of its operations (provided that such loans shall not result in a reduction of the Company's net assets or, if they do, the financial assistance is paid out of the Company's distributable profits);

(vi) The Company provides funding for the employee stock ownership plan (provided that such funding shall not result in a reduction of the Company's net assets or, if it does, the financial assistance is paid out of the Company's distributable profits).

For the benefit of the Company, upon a resolution by the shareholders' meeting, or by the Board in accordance with the Articles of Association or the authorization of the shareholders' meeting, the Company may provide financial assistance to others for the acquisition of shares in the Company or its parent company, provided that the cumulative total amount of such financial assistance does not exceed 10% of the total issued share capital. Any resolution by the Board shall be approved by no less than two-thirds of all directors.

Share Certificates and Register of Members

Share certificates of the Company shall be in registered form.

The share certificates are signed by the Chairman. If the stock exchange where the Company's shares are listed requires signatures from other senior management personnel of the Company, the share certificates shall be signed by such other relevant senior management personnel. The share certificates shall become valid upon being stamped with the Company seal or affixed with a printed seal. The signature of the Company's Chairman or other relevant senior management personnel on share certificates may also be printed. However, unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, or by the laws, regulations, or normative documents of the place where the GDRs are listed, or by the securities regulatory authorities, stock exchanges, or the Articles of Association.

The Company shall maintain a register of members containing the following details: the name, address, occupation or nature of each shareholder; the class and quantity of shares held by each shareholder; the amount paid or payable for the shares held by each shareholder; the identification number of the shares held by each shareholder; the date of registration as a shareholder for each shareholder; and the date of termination of shareholder status for each shareholder. The register of members shall be conclusive evidence of the ownership of shares in the Company, except where there is evidence to the contrary. Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, or by the laws, regulations, or normative documents of the place where the GDRs are listed, or by the securities regulatory authorities, stock exchanges, or the Articles of Association.

The Company may, in accordance with the understandings and agreements reached between the securities regulatory authorities under the State Council and overseas regulatory authorities, maintain the register of GDR equity holders abroad and entrust its management to an overseas agent. The Company shall maintain a copy of the register of GDR equity holders at the Company's domicile; the entrusted overseas agent shall ensure the consistency between the original and the duplicate copies of the register of overseas GDR equity holders at all times.

The original register of H-share holders is maintained in Hong Kong for shareholders' inspection; however, the Company may suspend shareholder registration in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

In the event of any discrepancy between the original and duplicate copies of the register of GDR equity holders, the original shall prevail.

No change in the register of members resulting from a share transfer may be registered within 30 days before the shareholders' meeting or within five days before the record date for dividend distribution determined by the Company. Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, or by the laws, regulations, or normative documents of the place where the GDRs are listed, or by the securities regulatory authorities, stock exchanges, or the Articles of Association.

Any person who objects to the register of members and requests to have his/her name entered in or removed from the register of members may apply to a court of competent jurisdiction for correction of the register of members.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

General Provisions for Shareholders

The shareholders of the Company are those who legally hold shares of the Company and whose names are registered in the register of members. The Company maintains the register of members based on the certificates provided by the securities registration authority, and the register of members serves as conclusive evidence of shareholders' ownership of the Company's shares. Shareholders shall enjoy rights and assume obligations in accordance with the class and portion of shares they hold; shareholders holding shares of the same class shall enjoy equal rights and assume equal obligations.

The shareholders of the Company are entitled to the following rights:

(i) To receive dividends and benefit distributions in other forms according to the portion of shares by them;

(ii) To request, convene, preside over, participate in, or appoint a shareholder's proxy to attend shareholders' meetings and exercise corresponding speaking rights and voting rights in accordance with the law (unless individual shareholders are required by applicable laws, administrative regulations, departmental rules, and the securities regulatory rules of the place where the Company's shares are listed to abstain from voting on specific matters);

(iii) To oversee and manage the Company's business operations, and to provide recommendations or raise inquiries;

(iv) To transfer, bestow or pledge shares held by them in accordance with the laws, administrative regulations and the Articles of Association;

(v) To inspect and copy the Articles of Association, the register of members, minutes of shareholders' meetings, resolutions of the Board meetings, and financial accounting reports; shareholders who meet the requirements may also inspect the Company's accounting books and accounting vouchers;

(vi) To participate in the distribution of the remaining assets of the Company based on the portion of shares held in the event of the Company's dissolution or liquidation;

(vii) Shareholders who dissent from the resolution of the shareholders' meeting regarding the merger or division of the Company may request the Company to purchase their shares;

(viii) Other rights as stipulated 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 requesting to access or copy relevant materials of the Company shall comply with the provisions of the Company Law, the Securities Law of the People's Republic of China (《中華人民共和國證券法》) (hereinafter referred to as the "Securities Law"), and other laws and administrative regulations. Where a shareholder requests to inspect or obtain the relevant information as set forth in the preceding Article, this shareholder shall provide the Company with written documents evidencing the class and number of shares held by this shareholder in the Company and the Company shall provide the above information at the request of such shareholder upon verification of the shareholder's identity.

If a resolution of the shareholders' meeting or the Board violates the laws and administrative regulations, shareholders shall have the right to request the people's court to determine the resolution as invalid.

If the procedure for convening a shareholders' meeting or the Board meeting, or the method of voting at either type of meeting, violates the laws, administrative regulations or the Articles of Association, or the contents of a resolution violates the Articles of Association, shareholders shall have the right to request the people's court to rescind the resolution within 60 days from the date on which the resolution is adopted. However, this does not apply to cases where the procedures for convening shareholders' meeting or Board meetings, or the voting methods, have only minor defects which do not have a substantial impact on the resolutions.

Resolutions of shareholders' meeting or the Board shall not be established in any of the following circumstances:

(i) The resolution was made without holding a shareholders' meeting or Board meeting;

(ii) The shareholders' meeting or Board meeting did not vote on the resolution matter;

(iii) The number of attendees or the voting rights held by them did not reach the thresholds required by the Company Law or the Articles of Association;

(iv) The number of persons or the voting rights held by them agreeing to the resolution matter did not reach the thresholds required by the Company Law or the Articles of Association.

If any Director and senior management personnel other than the members of Audit Committee has violated the laws, administrative regulations or provisions of the Articles of Association in performing their duties in the Company and therefore has caused loss to the Company, shareholders who have individually or jointly held more than 1% of shares in the Company for over 180 consecutive days shall have the right to make a written request to the Audit Committee to file a lawsuit with the people's court; if the members of the Audit Committee has violated laws, administrative regulations or provisions of the Articles of Association in performing their duties in the Company and therefore has caused loss to the Company, the abovementioned shareholders may make a written request to the Board to file a lawsuit with the people's court.

If the Audit Committee or the Board rejects to file a lawsuit after receiving the written request from the abovementioned shareholders specified in the preceding paragraph, fails to file a lawsuit within 30 days from the date of receiving the request, or the situation is so urgent that the Company's interests will suffer irremediable harm if lawsuits are not filed immediately, the shareholders specified in the preceding paragraph shall have the right to directly file a lawsuit with the people's court in their own names for the benefit of the Company.

If any other person infringes on the Company's legal interest and therefore has caused loss to the Company, the shareholders specified in the preceding paragraph may file a lawsuit with the people's court in accordance with the provisions of the preceding paragraphs.

The shareholders of the Company shall undertake the following obligations:

(i) Comply with laws, administrative regulations, and the Articles of Association;

(ii) Pay equity capital according to their shares subscribed and the method of equity capital injection;

(iii) Not to withdraw their contributed share capital except in circumstances allowed by the laws and regulations;

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

In the event that a shareholder of the Company abuses his/her rights, thus causing losses to the Company or other shareholders, he/she shall be liable for compensation in accordance with the laws.

In the event that a shareholder of the Company abuses the Company's independent status of legal person and shareholders' limited liability to evade debts, thus seriously prejudicing the interests of the Company's creditors, he/she shall be jointly and severally liable for the Company's debts.

(v) Other obligations to be undertaken as stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Shareholders are not liable to make any further contribution to the share capital other than according to the terms which were agreed by the subscriber of the relevant shares at the time of subscription.

Controlling Shareholders and Actual Controllers

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

(i) Exercise shareholders' rights in accordance with the laws, and do not abuse the right of control or take advantage of the related relationships to harm the legitimate rights and interests of the Company or other shareholders;

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

(iii) Strictly fulfill information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company in information disclosure work, and promptly notify the Company of any major events that have occurred or may occur;

(iv) Refrain from appropriating the Company's funds in any manner;

(v) Refrain from compelling, instructing, or requiring the Company and related persons to provide guarantees in violation of laws and regulations;

(vi) Refrain from using the Company's unpublished material information to seek benefits, disclosing any unpublished material information related to the Company in any manner, or engaging in illegal activities such as insider trading, short-term trading, or market manipulation;

(vii) Refrain from harming the legitimate rights and interests of the Company and other shareholders through any means, including unfair related-party transactions, profit distribution, asset restructuring, or external investments;

(viii) Ensure the integrity of the Company's assets, the independence of its personnel, finances, institutions, and operations, and refrain from affecting the Company's independence in any manner;

(ix) Laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and other provisions of the CSRC, stock exchanges, and the Articles of Association.

If a controlling shareholder or an actual controller of the Company does not serve as a Director but is actually involved in managing the Company's affairs, the provisions of the Articles of Association regarding Directors' fiduciary duties and duty of care shall apply.

If a controlling shareholder or an actual controller of the Company instructs a Director or senior management personnel to engage in conduct detrimental to the interests of the Company or its shareholders, they shall be jointly and severally liable with such Director or senior management personnel.

General Provisions for Shareholders' Meetings

The shareholders' meeting is the governing body of the Company and exercises the following authority in accordance with the law:

(i) To elect and replace Directors who are not appointed as representatives of the employees, and to decide on the remuneration of the relevant Directors;

(ii) To examine and approve reports made by the Board;

(iii) To examine and approve the Company's plans for profit distribution and loss recovery;

(iv) To adopt resolutions concerning the increase or reduction in the Company's registered capital;

(v) To resolve on issuing corporate bonds;

(vi) To resolve on the merger, division, dissolution, liquidation or change of corporate form of the Company;

(vii) To amend the Articles of Association;

(viii) To resolve on the hiring, termination, or non-renewal of the accounting firm engaged for the Company's audit services;

(ix) To consider and approve external guarantees as stipulated in Article 62 of the Articles of Association;

(x) To consider and approve the purchase or sale of significant assets or guarantees exceeding 30% of the Company's most recently audited total assets within one year;

(xi) To consider and approve matters regarding change of the use of collected funds;

(xii) To consider the stock incentive plans and employee stock ownership plans;

(xiii) To consider proposals from shareholders holding one percent or more of the Company's voting shares;

(xiv) To consider other matters that shall be decided by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, securities regulatory requirements of the place where the Company's shares are listed, or the Articles of Incorporation.

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

The following external guarantees by the Company require approval by the shareholders' meeting:

(i) Any guarantees provided after the total amount of external guarantees provided by the Company and the Company's controlled subsidiaries exceeds 50% of the latest audited net assets;

(ii) Any guarantees provided after the total amount of external guarantees by the Company exceeds 30% of the latest audited total assets;

(iii) Guarantees provided to a target party with a debt-to-asset ratio exceeding 70%;

(iv) Any guarantee with a single guaranteed amount in excess of 10% of the Company's latest audited net assets;

(v) The cumulative amount of the Company's guarantees within one year exceeds 30% of the Company's latest audited total assets;

(vi) Guarantees provided to shareholders, actual controllers, and their related parties;

(vii) Other guarantee circumstances as stipulated in the securities regulatory rules of the place where the Company's shares are listed or in the Articles of Association.

The controlling shareholders of the Company and other related parties shall not compel the Company to provide guarantees for others. When the shareholders' meeting considers the guarantee matters specified in (v) above, such matters shall be approved by more than two-thirds of the voting rights held by shareholders present at the meeting. Any guarantee provided by the Company to a related party, regardless of the amount, shall be submitted to the shareholders' meeting for approval after being reviewed and approved by the Board.

Shareholders' meetings are divided into annual general meeting and extraordinary general meeting. The annual general meeting shall be held once a year and must take place within six months after the end of the previous fiscal year.

An extraordinary general meeting shall be convened within two months from the date of occurrence of any of the following events:

(i) When the number of Directors is less than the number required by the Company Law or two-thirds of the number provided in the Articles of Association;

(ii) When the Company's unrecovered losses reach one-third of the total paid-in capital;

(iii) At the request of shareholders who individually or collectively hold more than 10% of the Company's shares;

(iv) When the Board deems necessary;

(v) When the Audit Committee proposes to convene a meeting;

(vi) Any other circumstances as stipulated by the laws, administrative regulations, departmental rules and the Articles of Association.

Convening of Shareholders' Meetings

The Board of Directors shall convene the shareholders' meeting on time within the prescribed period. With the consent of more than half of all independent directors, independent directors shall have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting. The Board of Directors shall issue written feedback on whether or not to convene the extraordinary shareholders' meeting within 10 days from the receipt of the proposal from the independent directors according to the laws, administrative regulations and the Articles of Association. Where the Board of Directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to convene an extraordinary shareholders' meeting, it shall state the reason and make an announcement.

The Audit Committee shall have the right to propose the convening of an extraordinary shareholders' meeting and such proposal shall be made in writing to the Board of Directors. In accordance with the laws, administrative regulations and the Articles of Association, the Board of Directors shall issue written feedback on whether or not to convene the extraordinary shareholders' meeting within 10 days from the receipt of the proposal. Where the Board of Directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the resolution of the Board of Directors is made, and changes to the original proposal in the notice shall be subject to the consent of the Audit Committee. Where the Board of Directors does not agree to convene an extraordinary shareholders' meeting, or fails to give feedback within 10 days after receiving the proposal, it shall be deemed that the Board of Directors is incapable of performing or not performing its duties of convening the shareholders' meeting, the Audit Committee shall convene and preside over such meeting.

Shareholders who individually or collectively hold more than 10% of the Company's shares (excluding treasury shares) shall have the right to request the Board of Directors to convene an extraordinary shareholders' meeting, and shall submit such request in writing to the Board of Directors and must specify the agenda for the meeting. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide written feedback on whether or not to convene the extraordinary shareholders' meeting within 10 days after receiving the written request.

Where the Board of Directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the resolution of the Board of Directors is made, and changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

Where the Board of Directors does not agree to convene an extraordinary shareholders' meeting, or fails to give feedback within 10 days after receiving the request, shareholders who individually or collectively hold more than 10% of the Company's shares (excluding treasury shares) have the right to propose to the Audit Committee to hold an extraordinary shareholders' meeting, and shall make a written request to the Audit Committee.

Where the Audit Committee agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the general meeting within 5 days of receiving the request, and any changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

Where the Audit Committee fails to issue a notice of the shareholders' meeting within the prescribed time limit, it shall be deemed that the Audit Committee has not convened and presided over the shareholders' meeting, and shareholders who individually or collectively hold more than 10% of the Company's shares (excluding treasury shares) for more than 90 consecutive days may convene and preside over it on their own.

Where the Audit Committee or shareholders decide to convene a shareholders' meeting on their own, they shall notify the Board of Directors in writing and simultaneously complete all required reports, announcements, or filings with the stock exchange in compliance with the securities regulatory rules of the place where the Company's shares are listed. Prior to the announcement of the resolution of the shareholders' meeting, the shareholding ratio of the convening shareholders shall not be less than 10% (excluding treasury shares). The Audit Committee or the convening shareholders shall submit relevant supporting materials to the stock exchange when issuing the notice of the shareholders' meeting and the announcement of the resolutions of the shareholders' meeting.

Proposals and Notices of Shareholders' Meeting

The Board of Directors, the Audit Committee and shareholders who individually or jointly hold more than 1% of the Company's shares shall have the right to put forward proposals to the Company at the shareholders' meeting.

Shareholders who individually or collectively hold more than 1% of the Company's shares may submit an interim proposal in writing to the convener 10 days prior to the convening of the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days after receiving the proposal, and announce the contents of the interim proposal, and submit such interim proposal to the shareholders' meeting for discussion, except that this shall not apply where the interim proposal violates the provisions of laws, administrative regulations or the Articles of Association, or does not fall within the scope of the powers of the shareholders' meeting. Except as provided in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the shareholders' meeting or add new proposals after issuing the notice announcement of the shareholders' meeting.

Proposals not set out in the notice of the shareholders' meeting or not in compliance with the Articles of Association shall not be voted on or resolved at the shareholders' meeting.

The convener shall notify the shareholders by way of announcement 21 days prior to the convening of the annual shareholders' meeting, and each shareholder shall be notified by way of announcement 15 days prior to the convening of the extraordinary shareholders' meeting. The extraordinary shareholders' meeting shall not decide on matters not specified in the notice.

After issuance of the notice for shareholders' meeting, the shareholders' meeting shall not be postponed or canceled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of postponement or cancelation, the convener shall make an announcement to all shareholders stating the reasons at least 2 working days before the original meeting date. If there are special provisions under the securities regulatory rules of the place where the Company's shares are listed regarding the procedures for postponing or canceling shareholders' meetings, the provisions shall prevail provided that they do not violate the laws, regulations, and requirements.

Conducting the Shareholders' Meetings

All shareholders recorded in the register as at the shareholding record date or their proxies shall have the right to attend the shareholders' meeting and exercise the voting rights in accordance with the relevant provisions of laws, regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Individual shareholders attending the meeting in person shall present their personal identity cards or other valid certificates or documents or proof of shareholding. Proxies attending the meeting shall present their personal identity cards and the proxy statements from the shareholder.

Corporate shareholders shall be represented by their legal representative or proxies authorized by the legal representative. Legal representatives attending the meeting shall present their personal identity cards or valid documents that can prove their identity as the legal representative (except for shareholders who are the Recognized Clearing House as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the Company's shares are listed). Proxies appointed to attend the meeting shall present their personal identity cards or the written proxy statement legally issued by the legal representative of the legal person shareholder (except for shareholders who are the Recognized Clearing House as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the Company's shares are listed).

If a shareholder is a Recognized Clearing House (or its Proxies), the Recognized Clearing House may authorize its corporate representative or one or more persons it deems appropriate to act as its representative at any shareholders' meeting or any meeting of creditors; provided that if more than one person is authorized, the authorization document shall specify the number and class of shares for which each such person is authorized. A person so authorized may represent a Recognized Clearing House (or its nominee(s)) at the meeting (without having to produce evidence of shareholding, notarized authorization, or further proof of formal authorization) to exercise rights as if such person were an individual shareholder of the Company (and with the same statutory rights as other shareholders, including the right to speak and vote).

When a shareholders' meeting requires directors and senior management to attend such meeting as observers, directors and senior management shall attend the meeting as observers and accept shareholders' inquiries.

The shareholders' meeting shall be convened by the Board of Director and chaired by the chairman. When the chairman is unable to perform his duties or fails to perform his duties, the meeting is chaired by the vice chairman. When the vice chairman is unable to perform his duties or fails to perform his duties, such shareholders' meeting shall be presided over by a director jointly elected by more than half of the directors.

The convener of the Audit Committee shall preside over the shareholders' meeting that is convened by the Audit Committee. If the convener of the Audit Committee is unable to or fails to perform his/her duties, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside over the meeting.

A shareholders' meeting convened by the shareholders shall be presided over by the conveners or his or her elected representative.

The Company shall formulate the rules of procedure for the shareholders' meeting which shall specify in detail the holding, convening and voting procedures of a shareholders' meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, meeting minutes and their signing, announcements and other contents, and the principles of authorization to the Board of Directors at the shareholders' meeting. The authorization shall be clear and specific. The rules of procedure for the shareholders' meeting shall be prepared by the Board of Directors and approved by the shareholders' meeting, and shall be appended to the Articles of Association. The shareholders' meeting shall not delegate to the Board of Directors the exercise of any powers or functions that are legally reserved for the shareholders' meeting.

Voting at and Resolutions of Shareholders' Meetings

Resolutions at shareholders' meeting are divided into ordinary resolutions and special resolutions. An ordinary resolution at a shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders with the voting rights present at the shareholders' meeting (including proxies). A special resolution at a shareholders' meeting shall be passed by at least two-thirds of the voting rights held by the shareholders with the voting rights present at the shareholders' meeting (including proxies).

The following matters shall be passed by ordinary resolutions at the shareholders' meeting:

(i) work reports of the Board of Directors;

(ii) plans for the distribution of profits and for recovery of losses proposed by the Board;

(iii) the election and removal of the members of the Board of Directors and their remuneration and payment method;

(iv) the Company's balance sheet, profit statement, and other financial statements;

(v) matters other than those required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association to be approved by a special resolution.

The following matters shall be passed as special resolutions of a shareholders' meeting:

(i) the increase or reduction of the registered capital of the Company;

(ii) division, spin-off, merger, dissolution, and liquidation (including voluntary liquidation) of Company;

(iii) amendments to the Articles of Association;

(iv) purchase or sale of significant assets within a year or the amount of guarantee exceeds 30% of the Company's audited total assets for the latest period;

(v) equity incentive scheme;

(vi) changes in the rights attached to a class of share;

(vii) any other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, which have a significant impact on the Company if to be passed by an ordinary resolution of a shareholders' meeting and which are deemed necessary to be passed as a special resolution.

Shareholders shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall be entitled to one vote.

Where material issues affecting the interests of medium and small investors are considered at the shareholders' meeting, the votes of medium and small investors shall be counted separately. The separate votes counting results shall be disclosed publicly in a timely manner.

The shares held by the Company shall have no voting right, and shall not be included in the total number of shares with voting rights of shareholders present at the shareholders' meeting.

If any shareholder is required to abstain from voting on any particular resolution or is restricted to voting only for (or only against) any resolution under applicable laws and regulations and the Hong Kong Listing Rules, any vote cast by a shareholder (or his proxy) in contravention of such requirement or restriction shall not be counted towards the total number of shares with voting rights.

If a shareholder purchases shares with voting rights of the Company in violation of the provisions of Article 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares with voting rights present at the shareholders' meeting for thirty-six months after the purchase. Where the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such rules shall prevail.

In the event that the Company is subject to a hostile takeover and, as a result, a change occurs in its controlling shareholders or de facto controller, the shares held by the new controlling shareholders or de facto controller shall not be counted toward the total number of voting shares at shareholders' meetings for three years from the date they assume effective control of the Company. The provisions of this paragraph shall not be amended when the Company modifies its Articles of Association unless such amendment is approved by a special resolution of the shareholders' meeting.

The Board of Directors, independent directors, shareholders holding more than 1% of the shares with voting rights or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory institutions of the State Council may publicly solicit shareholders' voting rights. The solicitation of shareholders' voting rights shall provide full disclosure of information such as specific voting intentions to the solicited person. The solicitation of shareholders' voting rights by way of remuneration or disguised remuneration is prohibited. Except for statutory conditions, the Company shall not impose minimum shareholding restrictions on the solicitation of voting rights. Where the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such rules shall prevail.

BOARD OF DIRECTORS

Directors

Directors of the Company may include executive directors, non-executive directors and independent directors (i.e., independent non-executive directors). Non-executive directors refer to directors who do not hold management positions in the Company, and independent director refers to the person who complies with the requirements of the Articles of Association. A director of the Company is a natural person. A person may not serve as a director of the Company in any of the following circumstances:

(i) a person who has no or restricted capacity for civil conduct;

(ii) a person who has committed an offense of corruption, bribery, infringement of property, misappropriation of property or disruption of the socialist economic order and has been punished because of committing such offense, or who has been deprived of his/her political rights for committing an offense where less than five years have elapsed following the completion of the implementation of the punishment or in the case of being pronounced for suspended sentence, a two-year period has not elapsed since the expiration of the suspended sentence;

(iii) a person who is a former director, factory manager or manager of a Company or enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such Company or enterprise, where less than three years have lapsed following the date of the completion of the insolvency and liquidation of such Company or enterprise;

(iv) a person who is a former legal representative of a Company or enterprise which had its business license revoked or had been ordered to close down due to violation of the laws and has incurred personal liability, where less than three years have elapsed since the date of the revocation of such business license or the order for closure;

(v) a person who has been listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of due debt;

(vi) a person who is currently being prohibited from participating in the securities market by the China Securities Regulatory Commission and such barring period has not elapsed;

(vii) a person who is currently being publicly deemed by the Stock Exchanges as unsuitable for serving as a director and senior executive of the Company, and the term of such disqualification has not expired;

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

If a director is elected or appointed in violation of foregoing provisions, such election, appointment or engagement shall be invalid. In case of such violation during the term of office of a director, the Company shall remove the director, and relieve him or her of duties.

Directors are elected or replaced at the shareholders' meeting for a term of 3 years. Directors may serve consecutive terms upon the expiration of their current term. A director may not be removed by the shareholders without cause before the expiration of their term of office. If any director is removed from office during their term without a proposal from the original nominating shareholder, and provided there is no illegal conduct, lack of qualifications to serve as a Company director, or violation of the Company's Articles of Association, the Company shall compensate the director with an amount equal to five to ten times their total accrued pre-tax compensation during their tenure with the Company. The provisions of this paragraph shall not be amended when the Company modifies its Articles of Association unless such amendment is approved by a special resolution of the shareholders' meeting.

The term of office of a director shall be from the date of appointment to the expiry of term of office of the current Board of Directors. Where re-election is not promptly carried out upon expiry of the term of office of a director, prior to appointment of a new director, the original director shall continue to carry out director's duties pursuant to the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

A director may concurrently serve as a general manager or other senior management personnel, but the total number of directors holding such concurrent positions shall not exceed half of the total number of directors of the Company.

To ensure the stability of the Company's corporate governance structure and the continuity of its operations and management, upon the expiration of each Board of Directors' term, the number of non-independent directors replaced in a reelection shall not exceed one-third of the total number of the original Board of Directors. If the Company is subject to a hostile takeover resulting in a change of its controlling shareholder or de facto controller, the new controlling shareholder or de facto controller shall not have the right to nominate more than half of the total number of directors to the Company within three years from the date of gaining actual control of the Company. The provisions of this paragraph shall not be amended when the Company modifies its Articles of Association unless such amendment is approved by a special resolution of the shareholders' meeting.

The Company does not have an employee director.

The directors shall owe the following fiduciary obligations to the Company:

(i) shall neither embezzle the assets of the Company nor misappropriate the Company's funds;

(ii) shall not deposit the Company's assets or funds in accounts under his/her own name or the names of other individuals;

(iii) shall not accept bribery or other illegal income by taking advantage of his/her power;

(iv) shall not directly or indirectly enter into contracts or conduct transactions with the Company without reporting to the shareholders' meeting or the Board of Directors and obtaining approval through resolutions passed by the Board of Directors or at the shareholders' meeting in accordance with the provisions of the Articles of Association;

(v) shall not take advantage of his/her position to seek business opportunities that should otherwise belong to the Company for himself/herself or others, except where it has been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or where the Company is unable to utilize such business opportunity in accordance with laws, administrative regulations or the provisions of these Articles of Association;

(vi) shall not engage in the same kind of business as the Company for his/her own account or for the benefits of others, without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through resolutions passed at the shareholders' meeting;

(vii) shall not accept the commissions from transactions entered into between others and the Company for his/her own account;

(viii) shall not disclose the Company's secrets without authorization;

(ix) shall not take advantage of his/her related relationship to compromise the interests of the Company;

(x) shall fulfill other fiduciary obligations as required by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Any revenue derived by a director in violation of the provisions of this Article shall belong to the Company; and if any loss is caused to the Company, he/she shall be liable for compensation.

Where close relatives of directors and senior management personnel, enterprises directly or indirectly controlled by directors, senior management or their close relatives, and other related parties having related relationships with directors and senior management, enter into contracts or conduct transactions with the Company, the provisions of item (iv) of this Article above shall apply.

Directors owe the following duty of diligence to the Company:

(i) shall exercise the rights conferred by the Company in a prudent, conscientious and diligent manner, so as to ensure that the business activities of the Company comply with the requirements of national laws, administrative regulations and various national economic policies, and that the commercial activities do not go beyond the scope stipulated in the business license;

(ii) shall treat all shareholders fairly;

(iii) shall maintain a timely awareness of the operation and management of the Company;

(iv) shall sign written confirmations on Company's securities offering documents and the regular reports and ensure that the information disclosed by the Company is true, accurate and complete. If a director is unable to guarantee the truthfulness, accuracy, or completeness of the Company's securities offering documents and the regular reports, or has any objections, the director shall express an opinion and state the reasons in a written confirmation, which the Company shall disclose. If the Company does not disclose the information, the director may apply for disclosure directly;

(v) shall truthfully provide relevant information and materials to the Audit Committee, and shall not obstruct the Audit Committee from performing their functions and powers;

(vi) shall discharge other duties of diligence as required by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If a director fails to attend meetings of the Board of Directors in person or does not authorize other directors to attend meetings of the Board of Directors for two consecutive times, he/she shall be deemed to be unable to perform his/her duties and the Board of Directors shall propose to the shareholders' meeting to remove such director.

A Director may resign prior to expiry of his/her term of office. A resigning director shall submit a written resignation report to the Board of Directors, and such resignation will take effect on the date when the Company receives the resignation report. The Board of Directors shall disclose the relevant information within 2 days.

Where the resignation of a director will render the Board of Directors of the Company to fall below the minimum quorum, the original director shall continue to perform director's duties pursuant to the provisions of relevant laws, administrative regulations, departmental rules and the Articles of Association, before the newly elected director takes office.

Subject to compliance with relevant laws, regulations, and regulatory rules, shareholders shall have the right to remove any director (including the Managing Director or other executive directors) before the expiration of their term of office by ordinary resolution at a shareholders' meeting; however, that such removal shall not affect any claim for damages that such director may have under any contract.

Subject to the relevant laws, regulations, and regulatory rules, if the Board (where permitted by applicable laws and regulations) appoints a new director to fill a casual vacancy or as an addition to the Board, such appointed director shall hold office only until the first annual general meeting of the Company following their appointment and shall be eligible for re-election thereafter.

The Company shall establish a director departure management system, clarifying the safeguard measures for accountability and recovery regarding unfulfilled public commitments and pending matters. If a director's resignation takes effect or his/her term of office expires, he/she shall complete all handover procedures with the Board of Directors. His/her fiduciary obligations to the Company and its shareholders shall not be automatically relieved upon the termination of his/her employment. Among these obligations: the duty to maintain the confidentiality of the Company's trade secrets shall continue until such trade secrets become publicly available, while the remaining fiduciary duties shall remain in effect for one year from the date of the director's resignation or the expiration of their term of office. The responsibilities that a director should bear due to the performance of duties during his/her term of office shall not be exempted or terminated due to his/her departure.

Unless provided for under the Articles of Association or legally authorized by the Board of Directors, no director shall act in his/her name on behalf of the Company or the Board of Directors. When a director acts in his/her own name and the third party would reasonably believe that such director is acting on behalf of the Company or the Board of Directors, such director shall declare his/her position and capacity in advance.

Board of Directors

The Company shall have a Board of Directors, which shall be accountable to the shareholders' meeting.

The Board of Directors consists of seven directors, including four executive directors and three independent directors. The Board of Directors shall have one chairman and may have one vice-chairman.

The Board of Directors shall have the following duties and powers:

(i) Convene shareholders' meeting and report on their work to the shareholders' meeting;

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

(iii) to determine the Company's business plan and investment plan;

(iv) to formulate the Company's profit distribution plan and loss recovery plan;

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

(vi) to prepare plans for major acquisitions, purchase of our shares, merger, separation, dissolution or change of the form of the Company; to be approved by Board of Directors at a meeting of the Board of Directors attended by more than two-thirds of the directors for the resolutions regarding the acquisition of the Company's shares under the circumstances specified in Article 24(3), (5), and (6) of the Company's Articles of Association;

(vii) to decide on matters such as external investments, acquisition and disposal of assets, asset pledges, external guarantees, entrusted financing, related-party transactions, and external donations within the scope of authorization granted by the shareholders' meeting;

(viii) to determine the establishment of the Company's internal management organs;

(ix) to appoint or dismiss the Company's general manager, Board secretary, and other senior management personnel, and to determine their compensation, rewards, and disciplinary matters; and to appoint or dismiss the Company's deputy general manager, financial controller, chief accountant, chief engineer, and other senior management personnel upon the general manager's nomination, and to determine their compensation, rewards, and disciplinary matters;

(x) to set the basic management system of the Company;

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

(xii) to manage information disclosure of the Company;

(xiii) to propose to the shareholders' meeting the appointment or replacement of the accounting firm as the Company's auditor;

(xiv) to listen to the work report of the Company's general manager and evaluate the general manager's performance;

(xv) other powers and authorities granted by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or the Company's Articles of Association.

Matters beyond the scope authorized by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The Company's Articles of Association define the authority of the Board of Directors regarding foreign investments, asset acquisitions and disposals, asset mortgages, external guarantees, entrusted financial management, related-party transactions, and external donations, while establishing strict review and decision-making procedures.

The Board of Directors has established rules of procedure for Board meetings to ensure that the Board of Directors implements the resolutions of the shareholders' meetings, to enhance the efficiency of its work and to ensure scientific decision-making.

SPECIALIZED COMMITTEES OF THE BOARD

The Board of Directors of the Company has established committees including audit, strategy and sustainable development, nomination, compensation and evaluation, and information disclosure, among others. These committees perform their duties in accordance with the securities regulatory rules of the jurisdictions where the Company's shares are listed, the Company's Articles of Association, and the authorization of the Board of Directors. Proposals from these specialized committees shall be submitted to the Board of Directors for review and decision. The Board of Directors is responsible for establishing the working procedures for the specialized committees.

The Board of Directors of the Company has established an Audit Committee to exercise the powers and functions of the Supervisory Board as stipulated in the Company Law.

The Audit Committee consists of three members, all of whom are directors not holding senior management positions in the Company, including three independent directors, with an accounting professional from the independent directors serving as the convener. The Audit Committee shall consist entirely of non-executive directors, with a majority being independent directors, including at least one independent director who possesses the appropriate professional qualifications or accounting and related financial management expertise as stipulated in the Hong Kong Listing Rules.

The Audit Committee is responsible for reviewing the Company's financial information and its disclosures, overseeing and evaluating internal and external audits and internal controls. The following matters shall be submitted to the Board of Directors for deliberation after approval by a majority of all Audit Committee members:

(i) Disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;

(ii) Employment or dismissal of accounting firms that conduct audits for listed companies;

(iii) Appointment or dismissal of the financial officer of a listed Company;

(iv) Changes in accounting policies, accounting estimates, or corrections of significant accounting errors for reasons other than changes in accounting standards;

(v) Other matters as stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Company's Articles of Association.

BOARD SECRETARY

The Board of Directors shall have a Board Secretary who is responsible to the Company and the Board of Directors.

The primary responsibilities of the Board Secretary are:

(i) Ensure the Company prepares and submits all reports and documents required by the relevant authorities in accordance with the law;

(ii) Responsible for the Company's information disclosure, ensuring its timeliness, accuracy, legality, truthfulness, and completeness, and processing the disclosure of periodic and interim reports to the stock exchanges where the Company's shares are listed in accordance with the regulations;

(iii) Prepare Board meetings and shareholders' meetings in accordance with statutory procedures, prepare and submit documents for review at board and shareholders' meetings, attend shareholders' meetings, Board meetings, and relevant senior management meetings, and record and sign the minutes of Board meetings;

(iv) Responsible for maintaining the confidentiality of the Company's information disclosure, and promptly reporting to and announcing with the stock exchange in the event of any leakage of undisclosed material information;

(v) Ensure the Company to maintain complete organizational documents and records, and is responsible for keeping the Company's register of shareholders, register of directors, information on the shareholdings of controlling shareholders, directors, and senior management, as well as documents and minutes of meetings of the Board of Directors and shareholders' meetings;

(vi) Organize and assist directors and senior management in receiving training on relevant laws and regulations, rules of the stock exchange and the requirements of the stock exchange, and to assist the aforesaid person, help them understand their respective duties in information disclosure; ensure that directors and senior management comply with laws and regulations, rules of the stock exchange and the Articles of Association, and faithfully fulfill their commitments; and promptly remind and report to the stock exchange if the Company, directors, or senior management are found to have made or are likely to make resolutions that violate relevant regulations;

(vii) Responsible for organizing and coordinating the Company's investor relations management, receiving investor visits, responding to investor inquiries, providing investors with disclosed Company information, and facilitating communication between the Company and securities regulators, shareholders, actual controllers, intermediaries, and the media;

(viii) Responsible for managing changes in the Company's stock and its derivatives, etc.;

(ix) Other duties as stipulated in the Company's Articles of Association and the securities regulatory rules of the place where the Company's shares are listed.

INDEPENDENT DIRECTORS

The Board of the Company shall include at least one-third independent directors, with no fewer than three independent directors, including at least one accounting professional who meets the relevant professional qualification requirements under the Hong Kong Listing Rules. Independent directors shall diligently perform their duties in accordance with laws, administrative regulations, the CSRC, stock exchange rules, and the Company's Articles of Association. They shall fulfill their roles in decision-making participation, oversight, checks and balances, and professional advisory within the Board of Directors, faithfully execute their responsibilities, safeguard the Company's overall interests, and protect the lawful rights and interests of minority shareholders.

The following conditions shall be met in order to serve as an independent director of the Company:

(i) Serve as a director of a listed Company with qualification in accordance with laws, administrative regulations, and other relevant provisions;

(ii) Comply with the independence requirements stipulated in the Articles of Association;

(iii) Possess fundamental knowledge of the operations of a listed Company and be familiar with relevant laws, regulations, and rules;

(iv) Equip with at least five years of legal, accounting, or economic work experience necessary to perform the duties of an independent director;

(v) Possess good personal integrity with no adverse records such as major breaches of trust;

(vi) Other conditions stipulated by laws, administrative regulations, the CSRC, stock exchanges, regulatory rules of the place where the Company's shares are listed, and the Company's Articles of Association.

Independent directors exercise the following special authorities:

(i) Engage an independent intermediary agency to conduct audits, consultations, or verification on specific Company matters;

(ii) Propose to the Board of Directors to convene an Extraordinary General Meeting;

(iii) Propose a Board meeting;

(iv) Solicit shareholder rights publicly in accordance with the law;

(v) Express independent opinions on matters that may harm the interests of the listed Company or minority shareholders;

(vi) Other duties and responsibilities as stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Company's Articles of Association.

The exercise of the powers and duties set forth in items (i) to (iii) of the preceding paragraph by the independent directors shall be approved by a majority of all independent directors.

The following matters shall be submitted to the Board of Directors for consideration after obtaining approval by a majority of the Company's independent directors:

(i) Related transactions that should be disclosed;

(ii) Plans for the Company and related parties to modify or waive commitments;

(iii) Decisions made and measures taken by the Board of Directors of the acquired listed Company regarding the acquisition;

(iv) Other matters as stipulated by laws, administrative regulations, CSRC regulations, the regulatory rules of the place where the Company's shares are listed, and the Company's Articles of Association.

The Company has established a specialized meeting mechanism exclusively for independent directors. Matters such as related-party transactions reviewed by the Board of Directors shall be pre-approved by a special meeting of independent directors.

The Company holds special meetings for independent directors on a regular or ad hoc basis. The matters listed in Article 162(1)(a) through (c) and Article 163 of the Articles of Association shall be reviewed by a special meeting of independent directors.

The Company shall establish a working system for independent directors, and the Board Secretary shall actively cooperate with the independent directors in performing their duties. The Company shall ensure that independent directors enjoy the same right to information as other directors, provide independent directors with relevant materials and information in a timely manner, report on the Company's operations on a regular basis, and arrange on-site inspections for independent directors when necessary.

SENIOR MANAGEMENT

The Company has one general manager, who shall be appointed or dismissed by the Board of Directors. The Company may appoint several deputy general managers as needed for its operations, who shall be hired or dismissed by the Board of Directors. The general manager, deputy general manager, chief financial officer, Board secretary, chief accountant, and chief engineer of the Company are the senior management personnel of the Company.

The general manager is accountable to the Board of Directors and exercises the following authorities:

(i) Preside over the Company's production and operations management, implement the Board's resolutions, and report work performance to the Board;

(ii) Organize and implement the Company's annual business plan and investment program;

(iii) Formulate a plan for the establishment of the Company's internal management structure;

(iv) Set the basic management system of the Company;

(v) Establish specific Company's detailed regulations;

(vi) Propose to the Board of Directors the appointment or dismissal of the Company's vice president and chief financial officer;

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

(viii) Such other powers and authorities as may be conferred by the Articles of Association or the Board of Directors.

The general manager attends Board meetings. A non-director general manager does not have voting rights at Board meetings.

The general manager shall establish the manager's work regulations and submit them to the Board of Directors for approval prior to implementation.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company establishes its financial accounting system in accordance with the laws, administrative regulations, and the provisions of the PRC Accounting Standards as formulated by the competent financial authorities of the State Council. The Company shall prepare financial reports at the end of each fiscal year, which shall be audited and verified in accordance with the law.

The Company submits and discloses an annual report to the CSRC and the stock exchange within four months after the end of each fiscal year, and an interim report to the CSRC and the stock exchange within two months after the end of the first six months of each fiscal year.

The Company does not maintain separate accounting records other than the statutory accounting books. The Company's assets are not held in any personal account.

The Company shall, when distributing the post-tax profit for the year, withdraw 10% of the profit to be included in the statutory reserves of the Company. If the accumulated amount of the Company's statutory reserve fund reaches 50% or more of the Company's registered capital, it may no longer be required to be allocated.

If the Company's legal reserve is insufficient to cover the losses from previous years, the current year's profits shall first be used to cover the losses before withdrawing the legal reserve in accordance with the preceding provisions.

After the Company has withdrawn the statutory reserve fund from its after-tax profits, it may also withdraw a discretionary reserve fund from its after-tax profits upon resolution by the shareholders' meeting.

After-tax profits remaining after covering losses and allocating reserves are distributed in proportion to the shares held by shareholders.

If a shareholders' meeting violates the provisions of the Company Law by distributing profits to shareholders, the shareholders must return the profits distributed in violation of the provisions to the Company; in the event that losses are caused to the Company, the shareholders, along with the responsible directors and senior management, shall be liable for compensation.

The Company shares held by the Company shall not participate in the profit distribution.

The Company shall appoint one or more receiving agents in Hong Kong for the H-share shareholders. The receiving agent shall collect and hold, on behalf of the relevant H shareholders, the dividends and other amounts payable by the Company in respect of the H-shares, pending payment to such H shareholders. The collection agent appointed by the Company shall comply with the requirements of laws and regulations as well as the securities regulatory rules of the place where the Company's shares are listed.

The Company's reserve fund is used to cover the Company's losses, expand the Company's production and operations, or be converted to increase the Company's registered capital. The discretionary reserve fund and statutory reserve fund shall be used first to make up the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations. The capital reserve includes the following items:

(i) Premium received from issuing shares above par value;

(ii) Other revenues included in capital surplus as stipulated by the competent financial department of the State Council.

When converting statutory reserve funds into capital, the retained portion of such reserve funds shall not be less than 25% of the Company's registered capital prior to the conversion.

Dividend (or share) distribution must be completed within two months after the Company's shareholders' meeting approves the profit distribution plan or the Board of Directors formulates a specific plan based on the conditions and upper limits for the following year's interim dividend distribution as reviewed and approved at the annual shareholders' meeting.

The main forms of Company dividend distribution include cash dividends, stock dividends, and a combination of both. The Company prioritizes cash dividends as the preferred method of distribution. When cash dividends are available, the Company shall use cash dividends for profit distribution. The distribution of profits in the form of stock dividends should be based on genuine and reasonable factors, such as the Company's growth potential and the dilution of net assets per share.

Internal Audit

The Company has implemented an internal audit system that defines the leadership structure, responsibilities, staffing, funding, application of audit results, and accountability for internal audit operations. The Company's internal audit system is implemented upon approval by the Board of Directors and disclosed to the public.

The Company's internal audit department oversees and inspects business activities, risk management, internal controls, financial information, and other related matters. The internal audit function shall maintain independence, be staffed with full-time auditors, and shall not be placed under the authority of the finance department or share office space with the finance department.

Engagement of Accounting Firms

The Company engages a certified public accounting firm that complies with the Securities Act to conduct financial statement audits, net asset verification, and other related consulting services. The engagement term is one year, commencing upon the conclusion of the Company's current annual shareholders' meeting and ending at the conclusion of the next annual shareholders' meeting, with the possibility of renewal.

The appointment and dismissal of the Company's accounting firm shall be submitted to the Board of Directors for deliberation and decided by the shareholders' meeting after obtaining approval by a majority of all members of the Audit Committee. The Board shall not appoint an accounting firm prior to the decision of the General Meeting.

The Company guarantees to provide the retained accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse, conceal, or misrepresent them.

The audit fees of the accounting firm shall be determined by the shareholders' meeting, or by the Board or its authorized representative as delegated by the shareholders' meeting.

The Company shall provide 30 days' prior notice to the accounting firm when terminating or not renewing its appointment. During the shareholders' meeting vote on dismissing the accounting firm, the firm shall be permitted to present its opinion.

If the accounting firm resigns, it must report to the shareholders' meeting whether the Company has engaged in any misconduct.

Notices and Announcements

The Company designates one or more of the following as the media for publishing its announcements and other information required to be disclosed: Securities Times, Securities Daily, Shanghai Securities News, China Securities Journal, and Juchao Information Network. For announcements to shareholders of Japanese shares, the Company uses the websites designated by the Company and the Hong Kong Stock Exchange as the media for announcements.

Dissolution and Liquidation

The Company shall be dissolved upon the occurrence of the following events:

(i) The expiration of the business term specified in the Articles of Association or the occurrence of other dissolution events as stipulated in the Articles of Association;

(ii) The shareholders' meeting resolved to dissolve;

(iii) Dissolution is necessary due to the merger or division;

(iv) The business license has been revoked, ordered to close, or withdrawn in accordance with the law;

(v) If a Company experiences severe operational and management difficulties, and its continued existence would cause significant harm to shareholder interests that cannot be resolved through other means, shareholders holding 10% or more of the Company's total voting rights may petition the People's Court to dissolve the Company;

(vi) The Company was legally declared bankrupt because it was unable to repay its debts when they became due.

If a Company is dissolved for any of the reasons specified above, it shall, within ten days, publicly disclose the reasons for dissolution through the National Enterprise Credit Information Publicity System of the People's Republic of China.

If a Company has any of the circumstances described in (i) or (ii) above and has not yet distributed its assets to shareholders, it may continue to exist by amending its Articles of Association or through a resolution of the shareholders' meeting.

Amendments to the Articles of Association or resolutions made by the shareholders' meeting in accordance with the above provisions shall be approved by at least two-thirds of the voting rights held by shareholders present at the meeting.

If a Company is dissolved under the provisions of items (i), (ii), (iv), or (v) above, it shall undergo liquidation. The directors shall serve as the Company's liquidation obligors and shall form a liquidation team to conduct the liquidation within 15 days from the date the dissolution cause arises.

The liquidation committee shall comprise the directors, unless these Articles of Association stipulate otherwise or the shareholders' meeting resolves to elect other person(s).

The directors shall serve as the Company's liquidation obligors and shall form a liquidation team to conduct the liquidation within fifteen days from the date the dissolution cause arises.

After liquidating the Company's property and preparing a balance sheet and inventory list, the liquidation committee shall develop a liquidation plan and submit it to the shareholders' meeting or the People's Court for approval.

The remaining property of the Company, after separately paying liquidation expenses, employee wages, social insurance contributions, and statutory compensation, settling outstanding taxes, and repaying the Company's debts, shall be distributed by the Company in proportion to the shares held by the shareholders.

During the liquidation period, the Company remains in existence but cannot engage in business activities unrelated to the liquidation. The property of the Company shall not be distributed to shareholders until they have been settled in accordance with the provisions of the preceding paragraph.

If the liquidation group, after liquidating the Company's property and preparing a balance sheet and inventory of assets, finds that the Company's property is insufficient to settle its debts, it shall apply to the People's Court for a declaration of bankruptcy in accordance with the law.

If a Company is legally declared bankrupt, it shall implement bankruptcy liquidation in accordance with the laws of the People's Republic of China on corporate bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company may amend its Articles of Association in accordance with the provisions of laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed and the Company's Articles of Association. Under any of the following circumstances, the Company shall amend the Articles of Association:

(i) After the amendment of the Company Law or relevant laws, administrative regulations or rules of securities supervision of the place where the Company's shares are listed, the matters stipulated in the Articles of Association are in conflict with the provisions of the amended laws, administrative regulations or rules of securities supervision of the place where the Company's shares are listed;

(ii) Changes in the Company's circumstances that are inconsistent with the matters recorded in the Articles of Association;

(iii) The shareholders' meeting resolved to amend the Articles of Association.

If the amendments to the Articles of Association approved by the shareholders' meeting require approval from the competent authorities, they must be submitted to the original approving authorities for approval. If the amendments involve Company registration matters, the changes shall be registered in accordance with the law.