This appendix principally provides [**REDACTED**] with an overview of the Articles of Association. As the information set out below is in summary form, it does not contain all the information that may be important to [**REDACTED**].

SHARES AND REGISTERED CAPITAL

The issue of shares of the Company shall be conducted in accordance with the principles of openness, fairness and impartiality, and each share of the same class shall rank *pari passu* with each other and carry equal rights.

For the same class of shares issued at the same time, the conditions and price of issue for each share shall be identical; the same price shall be paid for each share subscribed for by the subscriber.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

Increase and Decrease of Shares

Based on its operating and development needs, the Company may, in accordance with the provisions of laws and administrative regulations and subject to the resolution passed at the shareholders' meeting, increase its capital by the following methods:

(1) issuing shares to unspecified targets;

(2) issuing shares to specified targets;

(3) distributing bonus shares to existing shareholders;

(4) converting capital reserve into share capital;

(5) other methods stipulated or approved by laws, administrative regulations, the CSRC and the securities regulatory authorities of the place where the shares of the Company are listed.

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be carried out in accordance with the procedures stipulated by the Company Law, other relevant provisions and the Articles of Association.

Repurchase of Shares

The Company shall not repurchase its own shares, except in any of the following circumstances:

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

(2) to merge with another company holding shares of the Company;

(3) to use the shares for employee share ownership scheme or equity incentive;

(4) shareholders disagree with the resolution on the merger or division of the Company passed at a shareholders' meeting and require the Company to repurchase their shares;

(5) to use the shares for the conversion of corporate bonds issued by the Company that are convertible into shares;

(6) where it is necessary for the Company to maintain its corporate value and shareholders' rights and interests;

(7) other circumstances permitted by laws, administrative regulations, and the regulatory rules of the place where the shares of the Company are listed.

The Company may acquire its own shares through public centralized trading or other methods recognized by laws, administrative regulations and the securities regulatory authorities of the place where the shares of the Company are listed.

Where the Company acquires its own shares under the circumstances set out in items (3), (5) and (6) above, it shall be conducted through public centralized trading. Where the Company acquires its own shares under the circumstances set out in items (1) and (2) above, it shall be subject to a resolution passed at the shareholders' meeting; where the Company acquires its own shares under the circumstances set out in items (3), (5) and (6) above, it may be resolved by the Board meeting attended by two-thirds or more of the Directors in accordance with the provisions of the Articles of Association or the authorization of the shareholders' meeting.

After the Company acquires its own shares, subject to compliance with the applicable securities regulatory rules of the place where the shares of the Company are listed, the shares acquired under the circumstance set out in item (1) shall be cancelled within 10 days from the date of acquisition; the shares acquired under the circumstances set out in items (2) and (4) shall be transferred or cancelled within 6 months; and under the circumstances set out in items (3), (5) and (6), the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued shares of the Company, and such shares shall be transferred or cancelled within 3 years.

Transfer of Shares

Shares issued prior to the public offering of shares by the Company shall not be transferred within 1 year from the date on which the shares of the Company are listed and traded on the stock exchange.

The Directors and senior management of the Company shall report to the Company the shares of the Company held by them and any changes thereto; the shares transferred each year during their respective terms of office determined upon assumption of office shall not exceed 25% of the total number of shares of the same class of the Company held by them; the shares of the Company held by them shall not be transferred within 1 year from the date on which the shares of the Company are listed and traded. The aforesaid individuals shall not transfer the shares of the Company held by them within 6 months following their departure.

Where the relevant regulations of the securities regulatory authorities of the place where the shares of the Company are listed stipulate otherwise regarding the restrictions on the transfer of shares of the Company, such regulations shall prevail.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall establish a register of shareholders in accordance with the evidence provided by the securities registration and clearing institution, and the register of shareholders constitutes conclusive evidence of the shareholders' holding of shares in the company. Shareholders shall enjoy rights and assume obligations according to the class of shares held by them; shareholders holding the same class of shares shall enjoy equal rights and assume equal obligations.

The shareholders of the Company shall enjoy the following rights:

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

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

(3) to supervise the business operations of the Company and make suggestions or raise inquiries;

(4) to transfer, gift or pledge the shares held by them in accordance with the laws, administrative regulations, the relevant provisions of the securities regulatory authorities and stock exchange of the place where the shares of the Company are listed, and the provisions of the Articles of Association;

(5) to inspect and copy the Articles of Association, the register of shareholders, the minutes of the shareholders' meetings, resolutions of the Board meeting, and the financial and accounting reports; shareholders meeting the stipulated requirements may inspect the accounting books and accounting vouchers of the Company;

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

(7) for shareholders who object to the resolution on the merger or division of the Company made at the shareholders' meeting, to require the Company to acquire their shares, provided that the procedural requirements for the Company's repurchase of shares under the Articles of Association and relevant laws and regulations are satisfied;

(8) other rights stipulated by laws, administrative regulations, departmental rules or the Articles of Association.

Where the contents of the resolution of the shareholders' meeting or the Board resolution violate laws or administrative regulations, the shareholders are entitled to request the People's Court to declare it invalid.

Where the convening procedures or voting methods of the shareholders' meeting or the Board meeting violate laws, administrative regulations or the Articles of Association, or the contents of the resolution violate the Articles of Association, the shareholders are entitled to request the People's Court to revoke such resolution within 60 days from the date on which the resolution is made. However, this shall not apply where there are only minor flaws in the convening procedures or voting methods of the shareholders' meeting or the Board meeting which do not have a material impact on the resolution. Where the Board, shareholders and other relevant parties have disputes over the validity of the resolution of the shareholders' meeting, they shall file a lawsuit with the People's Court in a timely manner. Prior to the judgment or ruling made by the People's Court to revoke the resolution or otherwise, the relevant parties shall execute the resolution of the shareholders' meeting. The Company, Directors and senior management shall earnestly perform their duties to ensure the normal operation of the Company.

The shareholders of the Company shall assume the following obligations:

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

(2) to pay subscription monies in accordance with the shares subscribed for and the method of subscription;

(3) not to withdraw their share capital, except under the circumstances stipulated by laws and administrative regulations;

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

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

General Provisions of the Shareholders' Meeting

The shareholders' meeting of the Company shall comprise all shareholders. The shareholders' meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the laws:

(1) to elect and replace Directors, and to decide on matters relating to the remuneration of Directors;

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

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

(4) to resolve on the increase or reduction of the registered capital of the Company;

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

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

(7) to amend the Articles of Association;

(8) to resolve on the engagement or dismissal of the accounting firm undertaking the auditing business of the Company;

(9) to consider and approve the guarantee matters stipulated in Article 46 of the Articles of Association;

(10) to consider the purchase or sale of material assets by the Company within one year exceeding 30% of the latest audited total assets of the Company;

(11) to consider and approve transactions between the Company and connected persons (as defined in the Hong Kong Listing Rules) that are required to be submitted to the shareholders' meeting for consideration and approval in accordance with laws, administrative regulations, and the provisions of the securities regulatory authorities of the place where the shares are listed;

(12) to consider and approve matters regarding the change in the use of proceeds;

(13) to consider the equity incentive scheme and employee share ownership scheme;

(14) to consider other matters required to be decided by the shareholders' meeting pursuant to laws, administrative regulations, departmental rules or the Articles of Association;

(15) other matters required by the listing rules of the stock exchange of the place where the shares of the Company are listed.

The shareholders' meeting may authorize the Board to resolve on the issuance of corporate bonds. Unless otherwise stipulated by laws, administrative regulations, the provisions of the CSRC or the rules of the stock exchange, the aforesaid functions and powers of the shareholders' meeting shall not be exercised by the Board or other organizations and individuals by way of delegation.

The following external guarantees to be provided by the Company shall be subject to consideration and approval by the shareholders' meeting:

(1) any guarantee provided after the total amount of external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;

(2) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets;

(3) any guarantee provided to others by the Company within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(4) any guarantee provided to a guaranteed party whose asset-liability ratio exceeds 70%;

(5) any single guarantee with an amount exceeding 10% of the latest audited net assets;

(6) any guarantee provided to shareholders, actual controllers and their connected persons;

(7) guarantees required to be considered and approved by the shareholders' meeting pursuant to laws, administrative regulations, departmental rules, the regulatory rules of the place(s) where the shares of the Company are listed, or the Articles of Association.

Where the Company provides a guarantee to a shareholder or the actual controller of the Company, such shareholder or the shareholder controlled by the actual controller shall not participate in the voting on such matter, and such resolution shall be passed by a majority of the voting rights held by the other shareholders attending the meeting. Guarantee matters other than those mentioned above shall be considered and approved by the Board. When the Board considers the relevant guarantee matters, such matters must be considered and approved by more than two-thirds of the Directors present at the Board meeting. When the shareholders' meeting considers the guarantee matter set out in item (3) above, such matter must be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Shareholders' meetings are classified into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened once a year and shall be held within 6 months after the end of the preceding financial year.

The Company shall convene an extraordinary shareholders' meeting within 2 months from the date of occurrence of any of the following events:

(1) the number of Directors falls below the number required by the Company Law or two-thirds of the number specified in the Articles of Association;

(2) the unrecovered losses of the Company amount to one-third of the total paid-up share capital;

(3) upon the request of shareholder(s) holding, individually or jointly, more than 10% of the shares of the Company;

(4) the Board deems it necessary;

(5) the audit committee proposes to convene such meeting;

(6) other circumstances stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed, or the Articles of Association.

Convening of Shareholders' Meetings

A shareholders' meeting shall be convened by the Board in accordance with the law, unless otherwise stipulated by the Company Law and other laws, administrative regulations, the listing rules of the place where the shares of the Company are listed, and the Articles of Association.

The Board shall convene shareholders' meetings on time within the stipulated period. Subject to the consent of a majority of all independent non-executive Directors, the independent non-executive Directors are entitled to propose to the Board to convene an extraordinary shareholders' meeting. Regarding the proposal of the independent non-executive Directors to convene an extraordinary shareholders' meeting, the Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide written feedback stating its agreement or disagreement to the convening of the extraordinary shareholders' meeting within 10 days upon receipt of the proposal. If the Board agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the Board resolution is made; if the Board does not agree to convene the extraordinary shareholders' meeting, it shall explain the reasons and make an announcement.

The proposal of the audit committee to the Board to convene an extraordinary shareholders' meeting shall be made in writing. The Board shall, in accordance with the provisions of laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide written feedback stating its agreement or disagreement to the convening of the extraordinary shareholders' meeting within 10 days upon receipt of the proposal. If the Board agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the Board resolution is made; any changes to the original proposal in the notice shall be subject to the consent of the audit committee. If the Board does not agree to convene the extraordinary shareholders' meeting, or fails to provide feedback within 10 days upon receipt of the proposal, the Board shall be deemed to be unable or failing to perform its duty of convening shareholders' meetings, and the audit committee may convene and preside over such meeting on its own.

Shareholder(s) holding, individually or jointly, more than 10% of the shares of the Company requesting the Board to convene an extraordinary shareholders' meeting shall make such request to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide written feedback stating its agreement or disagreement to the convening of the extraordinary shareholders' meeting within 10 days upon receipt of the request. If the Board agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the Board resolution is made; any changes to the original request in the notice shall be subject to the consent of the relevant shareholder(s). If the Board does not agree to convene the extraordinary shareholders' meeting, or fails to provide feedback within 10 days upon receipt of the request, shareholder(s) holding, individually or jointly, more than 10% of the shares of the Company shall be entitled to propose to the audit committee to convene an extraordinary shareholders' meeting, and shall make such request in writing.

If the audit committee agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days upon receipt of the request; any changes to the original request in the notice shall be subject to the consent of the relevant shareholder(s). If the audit committee fails to issue the notice of the shareholders' meeting within the stipulated period, it shall be deemed as failing to convene and preside over the shareholders' meeting, and shareholder(s) holding, individually or jointly, more than 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting on their own.

Notices of the Shareholders' Meeting

The convener shall notify all shareholders 21 days prior to the convening of the annual shareholders' meeting, and shall notify all shareholders 15 days prior to the convening of an extraordinary shareholders' meeting. When calculating the advance notice period, the Company shall exclude the date of dispatch of the meeting notice and the date of the meeting. Where laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the securities regulatory authorities stipulate otherwise, such provisions shall prevail. The notice of a shareholders' meeting shall be delivered to shareholders (whether they have voting rights at the shareholders' meeting) by hand or by prepaid mail to the addresses registered in the register of shareholders, or, subject to compliance with the applicable laws, administrative regulations and the listing rules of the place where the shares of the Company are listed, published on the website of the Company or the website designated by the Hong Kong Stock Exchange. After the notice of convening the shareholders' meeting has been dispatched and before the meeting is held, the convener may issue a reminder notice in accordance with the Company Law and relevant provisions.

The notice of a shareholders' meeting shall include the following contents:

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

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

(3) a conspicuous statement that: all shareholders are entitled to attend the shareholders' meeting, and may appoint the proxy in writing to attend and vote at the meeting, such proxy need not be a shareholder of the Company, and a shareholder who has appointed a proxy to attend the meeting shall be deemed to have attended in person;

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

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

(6) the time and procedures for voting through the internet or other methods;

(7) other requirements stipulated by laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The notice and supplementary notice of the shareholders' meeting shall contain the contents stipulated by the Hong Kong Listing Rules and the Articles of Association, and shall fully and completely disclose all the specific details of all proposals.

Proposals of the Shareholders' Meeting

The contents of a proposal shall fall within the functions and powers of the shareholders' meeting, contain clear topics and specific resolution matters, and comply with the relevant provisions of laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

When the Company convenes a shareholders' meeting, the Board, the audit committee and shareholder(s) holding, individually or jointly, more than 1% of the shares of the Company shall be entitled to submit proposals to the Company. Shareholder(s) holding, individually or jointly, more than 1% of the shares of the Company may submit ad hoc proposals in writing to the convener 10 days before the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days upon receipt of the proposal, announce the contents of the ad hoc proposal, and submit such ad hoc proposal to the shareholders' meeting for consideration. However, this shall not apply where the ad hoc proposal violates laws, administrative regulations or the Articles of Association, or does not fall within the functions and powers of the shareholders' meeting. Where laws, administrative regulations and the securities regulatory authorities of the place where the shares of the Company are listed stipulate otherwise, such provisions shall prevail. If the shareholders' meeting is required to be postponed due to the publication of the supplementary notice in accordance with the securities regulatory rules of the place where the shares of the Company are listed, the convening of the shareholders' meeting shall be postponed in accordance with such rules.

Save for the circumstances mentioned above, the convener shall not amend the proposals set out in the notice of the shareholders' meeting or add new proposals after the issuance of such notice. The shareholders' meeting shall not vote or resolve on proposals not set out in the notice of the shareholders' meeting or not in compliance with the provisions of the Articles of Association.

Proxy for Shareholders' Meetings

A shareholder may attend a shareholders' meeting in person or appoint a proxy to attend, speak and vote on his/her/its behalf.

An individual shareholder attending the meeting in person shall present his/her identity card or other valid document or proof capable of establishing his/her identity; a proxy attending the meeting shall present his/her valid identity document and the shareholder's power of attorney.

A corporate shareholder shall be represented by its legal representative or a proxy appointed by its legal representative. A legal representative attending the meeting shall present his/her identity card and valid proof capable of establishing his/her capacity as the legal representative; a proxy attending the meeting shall present his/her identity card and a written power of attorney issued in accordance with the law by the legal representative of the corporate shareholder.

A partnership shareholder shall be represented by its executive partner (including the representative appointed by the executive partner) or a proxy appointed by it. An executive partner attending the meeting shall present his/her identity card and valid proof capable of establishing his/her capacity as the executive partner; a proxy attending the meeting shall present his/her identity card and a written power of attorney issued in accordance with the law by the executive partner of the partnership shareholder.

If the shareholder is a recognized clearing house (or its nominee) of the place where the securities of the Company are listed, it may authorize one or more person(s) as it thinks fit to act as its representative(s) at the shareholders' meeting; provided that, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized, and shall be signed by an authorized person of the recognized clearing house. The person so authorized may represent the recognized clearing house (or its nominee) to attend meetings (upon production of his/her identity document without the need to produce evidence of shareholding, notarized authorization and/or further evidence of formal authorization) and exercise rights as if he/she were an individual shareholder of the Company.

The power of attorney issued by a shareholder to appoint another person to attend a shareholders' meeting shall specify the following contents:

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

(2) the name of the proxy;

(3) specific instructions from the shareholder, including instructions to vote for, against or abstain from voting on each matter to be considered on the agenda of the shareholders' meeting;

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

(5) the signature (or seal) of the appointer. Where the appointer is a corporate shareholder or a partnership shareholder, the seal of the legal entity or the partnership entity shall be affixed;

(6) where the Hong Kong Listing Rules have special provisions on the power of attorney, such provisions shall prevail.

Voting at Shareholders' Meetings

Resolutions of the shareholders' meeting are classified into ordinary resolutions and special resolutions. An ordinary resolution of the shareholders' meeting shall be passed by a majority of the voting rights held by the shareholders attending the meeting. A special resolution of the shareholders' meeting shall be passed by more than two-thirds of the voting rights held by the shareholders attending the meeting.

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

(1) work reports of the Board;

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

(3) appointment, dismissal, remuneration and method of payment of the members of the Board;

(4) matters other than those required to be passed by a special resolution pursuant to laws, administrative regulations, the listing rules of the place where the shares of the Company are listed or the Articles of Association.

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

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

(2) division, merger, dissolution, liquidation (including voluntary winding up) or change of corporate form of the Company;

(3) amendments to the Articles of Association;

(4) purchase or sale of material assets or provision of guarantees by the Company (including its controlled subsidiaries) within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(5) equity incentive scheme and employee share ownership scheme;

(6) other matters stipulated by laws, administrative regulations, the listing rules of the place where the shares of the Company are listed or the Articles of Association, and matters determined by an ordinary resolution of the shareholders' meeting to have a material impact on the Company and thus requiring to be passed by a special resolution.

Shareholders shall exercise their voting rights in accordance with the number of voting shares they represent, and each share shall carry one vote. The shares of the Company held by the Company carry no voting rights, and such shares shall not be counted in the total number of voting shares represented at the shareholders' meeting. The Board of the Company and shareholders meeting the relevant stipulated conditions may solicit voting rights from shareholders in accordance with relevant regulations.

Where the stock exchange of the place where the shares of the Company are listed stipulates that any shareholder is required to abstain from voting on any particular resolution or restricts any shareholder to voting only for (or against) any particular resolution, any votes cast by such shareholder or his/her proxy in contravention of such relevant provisions or restrictions shall not be counted.

Directors and Board of Directors

Directors

Directors shall be elected or replaced at the shareholders' meeting, and may be removed from their office by the shareholders' meeting prior to the expiration of their term of office. The term of office of a Director shall not exceed three years, and a Director shall be eligible for re-election upon the expiration of his/her term of office.

The term of office of a Director shall be calculated from the date of assumption of office until the expiration of the term of the current Board of Directors. Where re-election is not carried out in a timely manner upon the expiration of the term of office of a Director, the original Director shall, before the newly elected Director assumes office, continue to perform his/her duties as a Director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association. A Director may concurrently serve as senior management, provided that the total number of Directors who concurrently serve as senior management shall not exceed one-half (1/2) of the total number of Directors of the Company.

Chairman of the Board

The Board of Directors shall have one chairman and one co-chairman, who shall be elected by a majority of all Directors of the Board of Directors.

The chairman of the Board shall exercise the following functions and powers:

(I) to preside over shareholders' meetings and to convene and preside over the Board meetings;

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

(III) to sign important documents of the Board of Directors and other documents that shall be signed by the legal representative of the Company;

(IV) in the event of an emergency of force majeure such as massive natural disasters, to exercise special rights of disposal over the Company's affairs in accordance with the provisions of laws and in the interests of the Company, and to report to the Board of Directors and the shareholders' meeting of the Company afterwards;

(V) other functions and powers stipulated by relevant laws, administrative regulations, departmental rules, the Articles of Association or authorized by the Board of Directors.

The co-chairman of the Board of the Company shall assist the chairman of the Board in his/her work. Where the chairman of the Board is unable to or fails to perform his/her duties, the co-chairman of the Board shall perform such duties; where the co-chairman of the Board is unable to or fails to perform his/her duties, a Director jointly elected by a majority of the Directors shall perform such duties.

Board of Directors

The Board of Directors comprises seven Directors, among which there is one chairman and one co-chairman, including three independent non-executive Directors.

The Board of Directors shall exercise the following functions and powers:

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

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

(3) to determine the business plans and investment proposals of the Company;

(4) to formulate the profit distribution plans and plans for making up losses of the Company;

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

(6) to formulate plans for material acquisitions, repurchase of shares of the Company, or merger, division, dissolution or change of corporate form of the Company;

(7) to decide on matters such as external investments, acquisition and disposal of assets, asset pledges, external guarantees, entrusted wealth management, connected transactions, and external donations of the Company within the scope authorized by the shareholders' meeting;

(8) to decide on the establishment of the internal management bodies of the Company;

(9) to appoint or dismiss the manager (chief executive officer) and the secretary to the Board of Directors of the Company; to appoint or dismiss senior management such as the vice presidents and the person in charge of finance of the Company based on the nomination by the manager (chief executive officer), and to decide on their remuneration, rewards and punishments;

(10) to formulate and amend the basic management systems of the Company;

(11) to formulate proposals for amending the Articles of Association;

(12) to manage information disclosure matters of the Company;

(13) to propose to the shareholders' meeting the appointment or replacement of the accounting firm providing audit services to the Company;

(14) to listen to the work reports of the manager (chief executive officer) of the Company and inspect the work of the manager (chief executive officer);

(15) other functions and powers stipulated by laws, administrative regulations, departmental rules, the listing rules of the place where the shares of the Company are listed, the Articles of Association, or authorized by the shareholders' meeting.

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

The Board of Directors shall hold at least four meetings a year, generally once a quarter, which shall be convened by the chairman of the Board. Notice of a regular Board meeting shall be given in writing to all Directors at least 14 days prior to the meeting.

Shareholders representing 1/10 or more of the voting rights, 1/3 or more of the Directors, or the Audit Committee may propose the convening of an extraordinary meeting of the Board. The chairman of the Board shall convene and preside over the Board meeting within 10 days upon receipt of the proposal.

For the convening of an extraordinary meeting of the Board, notice shall be given to all Directors and senior management at least 3 days prior to the meeting by personal letter, fax, telephone, email, or other means approved by all Directors. Where an emergency requires the prompt convening of a Board meeting, the time limit for notice shall not be subject to the aforementioned restriction, provided that advance notice is given within a reasonable period.

A Board meeting may be held only if more than half of the Directors are present. Board resolutions must be passed by more than half of all the Directors. Where laws, administrative regulations, departmental rules or the Articles of Association stipulate otherwise regarding the minimum number of attending Directors or the minimum number of Directors required to pass a resolution, such provisions shall prevail. Voting on Board resolutions shall be conducted on a one-person-one-vote basis, and may be carried out by written ballot (such as filling out voting slips) or by a show of hands.

Board meetings shall be attended by the Directors in person. Subject to compliance with the securities regulatory rules of the place where the shares of the Company are listed, attendance of a Director at a Board meeting via internet, video, telephone or other means with equivalent effect shall also be deemed as attendance in person; where a Director is unable to attend for any reason, he/she may appoint another Director in writing to attend on his/her behalf. The power of attorney shall specify the name of the proxy, the proxy matters, the scope of authorization and the valid period, and shall be signed or sealed by the principal. The Director attending the meeting on behalf of another Director shall exercise the rights of a Director within the scope of authorization. Where a Director fails to attend a Board meeting and fails to appoint a proxy to attend on his/her behalf, he/she shall be deemed to have waived his/her voting rights at such meeting.

Audit Committee of the Board

The Board of the Company establishes an Audit Committee to exercise the functions and powers of a supervisory committee as stipulated in the Company Law.

The Audit Committee shall comprise a minimum of 3 members, all of whom must be non-executive Directors, and the majority of whom shall be independent non-executive Directors. It shall be chaired by an independent non-executive Director with appropriate professional qualifications (the convener).

The Audit Committee is responsible for reviewing the financial information of the Company and its disclosure, as well as supervising and evaluating the internal and external audit work and internal control. The following matters shall be approved by more than half of all members of the Audit Committee before being submitted to the Board of Directors for consideration:

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

(2) appointment or dismissal of the accounting firm undertaking the audit business for the listed company;

(3) appointment or dismissal of the person in charge of finance of the listed company;

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

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

The Audit Committee shall hold at least one meeting every quarter. An extraordinary meeting may be convened upon the proposal of 2 or more members, or when the chairman (convener) deems it necessary. A meeting of the Audit Committee may only be held if 2/3 or more of its members are present.

Other Specialized Committees of the Board

The Board of the Company establishes other specialized committees such as the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee, which perform their duties in accordance with the Articles of Association and the authorization of the Board. Proposals of the specialized committees shall be submitted to the Board for consideration and decision. The working rules of the specialized committees shall be formulated by the Board.

Senior Management

The Company shall have one manager (chief executive officer), who shall be appointed or dismissed by the Board. The Company shall have vice presidents and a person in charge of finance, who shall be nominated by the manager (chief executive officer) and appointed or dismissed by the Board. The Company shall have a secretary to the Board, who is responsible for the preparation of the shareholders' meetings and Board meetings, keeping of documents and management of shareholder records of the Company, and handling matters such as information disclosure, and shall be appointed by and accountable to the Board.

The term of office of the manager (chief executive officer) shall be three years, and he/she may serve consecutive terms if reappointed. The manager (chief executive officer) is accountable to the Board and shall exercise the following functions and powers:

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

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

(3) to draft proposals on the establishment of the internal management bodies of the Company;

(4) to draft the basic management systems of the Company;

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

(6) to propose to the Board the appointment or dismissal of the vice presidents and the person in charge of finance of the Company;

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

(8) other functions and powers conferred by the Articles of Association or the Board of Directors.

Except for matters required to be submitted to the Board and the shareholders' meeting for consideration and approval as stipulated in the Articles of Association, matters such as transactions, connected transactions, and borrowings incurred by the Company shall be approved by the manager (chief executive officer) of the Company.

The manager (chief executive officer) shall attend Board meetings as a non-voting delegate.

Qualifications and Obligations of Directors and Senior Management of the Company

A director of the Company shall be a natural person. A person may not serve as a director or senior management of the Company if any of the following circumstances apply:

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

(2) a person who has been sentenced to a criminal penalty for corruption, bribery, embezzlement, misappropriation of property or disrupting the socialist market economy order, or who has been deprived of political rights for committing a crime, where less than five years have elapsed since the completion of the execution of the penalty; or a person who has been declared on probation, where less than two years have elapsed since the expiration of the probation period;

(3) a person who served as a director, factory manager or manager of a company or enterprise which went into bankruptcy and liquidation, and who is personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the completion of the bankruptcy and liquidation of such company or enterprise;

(4) a person who served as the legal representative of a company or enterprise which had its business license revoked and was ordered to close down due to a violation of law, and who is personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license and the order of closure of such company or enterprise;

(5) a person who has a relatively large amount of overdue personal debts which have not been settled, and has been listed as a dishonest person subject to enforcement by the people's court;

(6) a person who has been subject to a securities market ban imposed by the CSRC, where the term of such ban has not expired;

(7) a person who has been publicly identified by a stock exchange as unsuitable to act as a director or senior management of a listed company, where the relevant term has not expired;

(8) other circumstances stipulated by laws, administrative regulations, departmental rules, or the listing rules of the place where the shares of the Company are listed.

Where a Director is elected, appointed or engaged in violation of the above provisions, such election, appointment or engagement shall be invalid. Where a Director falls under any of the above circumstances during his/her term of office, the Company shall remove him/her from his/her office and terminate his/her performance of duties.

Financial and Accounting Systems

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

The Company shall disclose a preliminary announcement of annual results within 3 months after the end of each financial year, and disclose a preliminary announcement of interim results within 2 months after the end of the first 6 months of each financial year. The Company shall submit and disclose its annual report to the CSRC (if required) and the stock exchange of the place where the shares of the Company are listed within 4 months after the end of each financial year, submit and disclose its interim report to the local office of the CSRC (if required) and the stock exchange of the place where the shares of the Company are listed within 2 months after the end of the first half of each financial year, and may submit and disclose quarterly reports in accordance with the relevant provisions of the stock exchange of the place where the shares of the Company are listed. Where the regulatory rules of the place where the shares of the Company are listed stipulate otherwise, such provisions shall prevail.

The aforementioned financial and accounting reports shall be prepared in accordance with the provisions of relevant laws, administrative regulations, the CSRC, and the securities regulatory authorities and stock exchange of the place where the shares of the Company are listed.

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

When distributing its after-tax profit for the current year, the Company shall allocate 10% of the profit to the statutory common reserve fund of the Company. Where the accumulated amount of the statutory common reserve fund of the Company reaches 50% or more of the registered capital of the Company, no further allocation is required.

Where the statutory common reserve fund of the Company is insufficient to make up for the losses of previous years, the profit for the current year shall be used to make up for the losses before allocating to the statutory common reserve fund in accordance with the aforementioned provisions.

After allocating to the statutory common reserve fund from the after-tax profit, the Company may, subject to a resolution of the shareholders' meeting, allocate to the discretionary common reserve fund from the after-tax profit.

The remaining after-tax profit of the Company after making up for losses and allocating to the common reserve funds shall be distributed in proportion to the shares held by the shareholders, unless the Articles of Association stipulate that distribution shall not be made in proportion to shareholdings.

Where the shareholders' meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company. Where losses are caused to the Company, the shareholders and the responsible Directors and senior management shall bear compensation liability.

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

The Company shall appoint one or more receiving agents in Hong Kong for the holders of H Shares. The receiving agent shall receive and hold on behalf of the relevant holders of H Shares the dividends distributed and other payables by the Company in respect of the H Shares, pending payment to such holders of H Shares. The receiving agent appointed by the Company shall meet the requirements of laws, regulations and the securities regulatory rules of the place where the shares of the Company are listed.

The common reserve funds of the Company shall be used to make up for the losses of the Company, expand its production and operations, or be converted into an increase in the registered capital of the Company. When using the common reserve funds to make up for the losses of the Company, the discretionary common reserve fund and the statutory common reserve fund shall be used first; if the losses still cannot be made up, the capital reserve fund may be used in accordance with regulations.

When the statutory common reserve fund is converted into an increase in registered capital, the balance of such reserve fund shall not be less than 25% of the registered capital of the Company prior to such conversion.

After the shareholders' meeting of the Company adopts a resolution on the profit distribution plan, or after the Board of the Company formulates a specific plan based on the conditions and upper limits for the interim dividend of the following year considered and approved by the shareholders' meeting, the Board of the Company shall complete the distribution of dividends (or shares) within 2 months after the convening of the shareholders' meeting.

Internal Audit

The Company implements an internal audit system, specifying the leadership structure, duties and authority, personnel allocation, funding guarantee, application of audit results and accountability for internal audit work. The internal audit department shall maintain independence and be equipped with full-time audit personnel, and shall not be placed under the leadership of the finance department or share an office with the finance department. The internal audit department shall be accountable to the Board of Directors.

Appointment of Accounting Firm

The Company shall appoint an accounting firm complying with the provisions of the Securities Law to conduct accounting statement audits, net asset verification and other relevant advisory services. The term of appointment is one year, commencing from the conclusion of the current annual shareholders' meeting of the Company until the conclusion of the next annual shareholders' meeting, and such appointment is renewable.

The appointment or dismissal of an accounting firm by the Company shall be decided by the shareholders' meeting, and the Board shall not appoint any accounting firm prior to the decision made by the shareholders' meeting.

The Company shall provide the appointed accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials, and shall not refuse to provide, conceal or make false reports regarding such materials.

Merger, Division, Increase and Reduction of Capital of the Company

The merger of the Company may take the form of merger by absorption or merger by new establishment.

A company absorbing other company(ies) is a merger by absorption, and the absorbed company(ies) shall be dissolved. The merger of two or more companies to establish a new company is a merger by new establishment, and all parties to the merger shall be dissolved.

In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a property inventory. The Company shall notify its creditors within 10 days from the date of the resolution on the merger, and make an announcement in newspapers (or on the National Enterprise Credit Information Publicity System) and on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 30 days. A creditor may, within 30 days of receipt of the notice, or within 45 days of the date of the announcement if no notice is received, require the Company to settle its debts or provide corresponding guarantees.

Upon the merger of the Company, the claims and debts of the parties to the merger shall be assumed by the surviving company or the newly established company after the merger.

In the event of a division of the Company, its properties shall be divided accordingly.

In the event of a division of the Company, a balance sheet and a property inventory shall be prepared. The Company shall notify its creditors within 10 days from the date of the resolution on the division, and make an announcement in newspapers (or on the National Enterprise Credit Information Publicity System) and on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 30 days.

The companies after the division shall bear joint and several liability for the debts of the Company prior to the division, unless otherwise stipulated in the written agreement entered into between the Company and the creditors regarding the settlement of debts prior to the division.

In the event of a reduction of registered capital, the Company shall prepare a balance sheet and a property inventory.

The Company shall notify its creditors within 10 days from the date on which the shareholders' meeting passes the resolution on the reduction of registered capital, and make an announcement in newspapers (or on the National Enterprise Credit Information Publicity System) and on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 30 days. A creditor shall, within 30 days of receipt of the notice, or within 45 days of the date of the announcement if no notice is received, have the right to require the Company to settle its debts or provide corresponding guarantees.

Where the merger or division of the Company results in changes to the registration particulars, change of registration shall be filed with the company registration authority in accordance with the law; where the Company is dissolved, cancellation of registration shall be filed in accordance with the law; where a new company is established, registration of establishment shall be filed in accordance with the law.

Where the Company increases or reduces its registered capital, change of registration shall be filed with the company registration authority in accordance with the law.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(1) the term of business stipulated in the Articles of Association has expired or other events of dissolution stipulated in the Articles of Association have occurred;

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

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

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

(5) where the Company encounters serious difficulties in its operation and management, and its continued existence will cause material losses to the interests of the shareholders, and such difficulties cannot be resolved through other means, shareholders holding 10% or more of the voting rights of the Company may petition the people's court to dissolve the Company.

Upon the occurrence of any of the aforementioned events of dissolution, the Company shall publish the event of dissolution through the National Enterprise Credit Information Publicity System within 10 days.

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

(1) to sort out the property of the Company, and prepare a balance sheet and a property inventory respectively;

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

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

(4) to pay all outstanding taxes and taxes arising in the course of liquidation;

(5) to settle claims and debts;

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

(7) to participate in civil proceedings on behalf of the Company.

The liquidation committee shall notify the creditors within 10 days from the date of its establishment, and make an announcement in newspapers (or on the National Enterprise Credit Information Publicity System) and on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 60 days. A creditor shall, within 30 days of receipt of the notice, or within 45 days of the date of the announcement if no notice is received, declare his/her/its claims to the liquidation committee.

When declaring a claim, a creditor shall specify the relevant matters of the claim and provide supporting materials. The liquidation committee shall register the claims.

During the period of declaration of claims, the liquidation committee shall not make any settlement to creditors.

After sorting out the property of the Company and preparing a balance sheet and a property inventory, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation.

The remaining property of the Company, after payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, payment of outstanding taxes, and settlement of the debts of the Company, shall be distributed by the Company in proportion to the shares held by the shareholders.

During the liquidation period, the Company shall continue to exist, but shall not engage in any business activities unrelated to the liquidation. The property of the Company shall not be distributed to the shareholders prior to the settlement as stipulated above.

If, after sorting out the property of the Company and preparing a balance sheet and a property inventory, the liquidation committee discovers that the property of the Company is insufficient to settle its debts, it shall apply to the people's court for bankruptcy liquidation in accordance with the law.

Upon acceptance of the bankruptcy application by the people's court, the liquidation committee shall transfer the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation of the Company, the liquidation committee 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 cancellation of the Company's registration.

Amendments to the Articles of Association

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

(1) after the amendment of the Company Law or relevant laws, administrative regulations, or the securities regulatory rules of the place where the shares of the Company are listed, the matters stipulated in the Articles of Association conflict with the amended provisions;

(2) changes occur in the Company's situation, which are inconsistent with the matters recorded in the Articles of Association;

(3) the shareholders' meeting decides to amend the Articles of Association.

Where the amendments to the Articles of Association passed by the resolution of the shareholders' meeting are subject to the examination and approval of the competent authorities, such amendments shall be submitted to the competent authorities for approval; where matters regarding company registration are involved, change of registration shall be filed in accordance with the law.

The Board of Directors shall amend the Articles of Association in accordance with the resolution of the shareholders' meeting on amending the Articles of Association and the examination and approval opinions of the relevant competent authorities.

Where the amendments to the Articles of Association involve information required to be disclosed by laws and administrative regulations, announcements shall be made in accordance with the regulations.